### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

**Plaintiffs** 

v.

Case No. 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, and the DEPARTMENT OF GOVERNMENT EFFICIENCY,

**Defendants** 

#### **COVER SHEET FOR EXHIBITS**

Exhibits cited in Plaintiffs' Motion for Temporary Restraining Order are numbered as follows:

- 1. Internet sources from Plaintiffs' Complaint
- 2. J. Doe 1 Declaration
- 3. J. Doe 2 Declaration
- 4. J. Doe 6 Declaration
- 5. J. Doe 7 Declaration
- 6. J. Doe 9 Declaration
- 7. J. Doe 12 Declaration
- 8. J. Doe 19 Declaration
- 9. J. Doe 26 Declaration
- 10. Elon Musk (@ElonMusk), X (Feb. 13, 2025, 11:35 PM)
- 11. Maureen Dowd, Who Will Stand Up to Trump at High Noon, N.Y. TIMES (Feb. 15, 2025)
- 12. @ALX, X (Feb. 13, 2025, 12:41 AM)

- Tara Copp & Anthony Izaguirre, Trump Administration Fires, Then Rescinds, Firing of Nuclear Weapons Workers, TIME (Feb. 16, 2025)
- 14. Tara Copp, Trump Begins Firings of FAA Air Traffic Control Staff Just Weeks After Fatal DC Plane Crash, AP (Feb. 15, 2025)
- David Shepardson, Musk's DOGE Team To Visit US FAA Command Center on Monday,
   Reuters (Feb. 16, 2025)
- 16. Jacob Bogage & Jeff Stein, Musk's DOGE seeks access to personal taxpayer data, raising alarm at IRS, Washington Post (Feb. 16, 2025)
- 17. Tim Reid, Musk Aides Lock Government Workers out of Computer Systems at US Agency, Sources Say, Reuters (Jan. 31, 2025)
- 18. List of officers in Executive Office of the President who are appointed by Senate consent
- 19. Reorganization Plan and Report Submitted by President Clinton to the Congress on December 30, 1998 (last revised March 1999)
- 20. Savings, Department of Government Efficiency (last visited Feb. 17, 2025)
- 21. Elon Musk (@elonmusk), X (Feb 7, 2025, 4:10 PM)
- 22. Elon Musk (@ElonMusk), X (Feb. 17, 2025, 6:31PM)
- 23. DEI Watchlist, www.deiwatchlist.com (last visited Feb. 17, 2025)
- 24. Biden's Basement, www.insidebidensbasement.org (last visited Feb. 17, 2025)

## EXHIBIT I

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## **Bloomberg Billionaires Index**

View profiles for each of the world's 500 richest people, see the biggest movers, and compare fortunes or track returns.

#### As of February 17, 2025

2/17/25, 8:42 PM

The Bloomberg Billionaires Index is a daily ranking of the world's richest people. Details about the calculations are provided in the net worth analysis on each billionaire's profile page. The figures are updated at the close of every trading day in New York.

Rank Name		Total net worth	\$ Last change	\$ YTD change	Country / Region	Industry
1	Elon Musk	\$398B	-\$379M -	\$34.1B	United States	Technology
2	Mark Zuckerberg	\$259B -	+\$2.83B+	\$52.0B	United States	Technology
3	Jeff Bezos	\$248B	-\$1.26B+	\$9.58B	United States	Technology
			•	00005		

# Elon Musk donated \$288 million in 2024 election, final tally shows

The official count of Musk's donations further cemented him as the country's largest — and most prominent — donor.

January 31, 2025

By Trisha Thadani, Clara Ence Morse and Maeve Reston

Billionaire Elon Musk spent at least \$288 million to help elect President Donald Trump and other Republican candidates, according to a Washington Post analysis of new Federal Election Commission filings that offered an end-of-year snapshot of what was spent during the 2024 election cycle.

Friday's FEC filings cement Musk's status as the <u>biggest political donor</u> of the recent presidential cycle at a moment when he has amassed an extraordinary amount of power as a member of Trump's inner circle — and as he is decried by critics as a de facto, unelected co-president. He is also a driving force behind the effort to shrink the federal workforce, helping to engineer a <u>controversial offer</u> this week to hundreds of thousands of career civil servants to quit their jobs and get paid through September.

The staggering 2024 political spending by Musk and the extent of his influence over Trump, as well as the levers of the federal government, cap a remarkable transformation for the richest man in the world, who had only dabbled in politics before being welcomed into Trump's inner orbit last year.

After the election, the then-president-elect tapped Musk to lead the newly formed "Department of Government Efficiency," which he tasked with cutting federal spending and regulation. The loosely defined role could give Musk the ability to influence policy and spending decisions that directly impact his companies, such as Tesla and SpaceX.

Musk helped <u>form America PAC</u> last year to support Trump in part by targeting lower-propensity voters with an expansive canvassing operation across key swing states. Because of an obscure FEC <u>ruling</u> in March that relaxed some of the rules for contact between campaigns and super PACs, America PAC and other outside groups were able to closely coordinate their messaging and plans for canvassing with Trump's top campaign lieutenants.

Ultimately, America PAC became one of the most prominent get-out-the-vote efforts for the Republican candidate, raising \$263 million. The group was seeded with donations not just from the SpaceX CEO but also many of his close allies, including Tesla board member Antonio Gracias, Palantir co-founder and Austin-based tech investor Joe Lonsdale, and Sequoia Capital investor Shaun Maguire.

In the report filed Friday covering the period from Nov. 26 to the last day of December, Musk reported making an \$11.2 million in-kind contribution on Dec. 31 to America PAC for what was described as "petition incentives."

In late October, Musk <u>said</u> he would hand out \$1 million daily in a lottery for registered swing-state voters who signed a petition as part of his super PAC's voter recruitment drive. He said at the time that America PAC would give away "\$1M to someone in swing states who signed our petition to support free speech & the right to bear arms."

An earlier FEC filing showed that Musk made an in-kind contribution of nearly \$40.5 million for petition incentives on Nov. 25 — meaning that he spent at least \$51.7 million on payments for petition signatories last year. The payments were processed through a company known as United States of America Inc.

The program was limited to registered voters in Pennsylvania, Georgia, Nevada, Arizona, Michigan, Wisconsin and North Carolina. Those who signed the petition were encouraged to refer the form to other swing-state voters. Individuals could receive \$47 for each valid referral to a registered voter in a swing state, and the incentives were higher in certain states such as Pennsylvania.

Democrats immediately questioned the legality of the move. Legal experts pointed out that federal law <u>prohibits</u> paying Americans to register to vote. And former GOP lawmakers and Justice Department officials <u>wrote</u> a letter to then-Attorney General Merrick Garland and Pennsylvania state officials asking them to review the legality of the group's payments.

Musk has said America PAC is "going to aim to weigh in heavily" on the 2026 congressional midterm elections. He also has said he <u>plans to get involved</u> in local races against liberal district attorneys. Like Trump, he has argued that some of those officeholders are too lenient on crime and directly responsible for theft and other quality-of-life issues in cities across the country.

The billionaire's investment in the 2024 election has <u>already paid off enormously</u>, as his personal wealth has soared since Trump's victory in November. Musk's wealth is largely tied up in Tesla stock, which has seen massive gains in value since the election. Investors and analysts expect the electric vehicle company will benefit significantly from <u>streamlined regulation</u> on autonomous driving during the new administration.

#### **CORRECTION**

A previous version of this article incorrectly said that Elon Musk spent at least \$52.7 million on payments for swing-state voters who signed petitions last year. The correct figure is \$51.7 million. The article has been corrected.

2/17/25, 6:57 PM

FORBES > BUSINESS

**BREAKING** 

# Trump Backs Idea Of Musk Joining 'Government Efficiency Commission' If He Wins Second Term

**Siladitya Ray** Forbes Staff Siladitya Ray is a New Delhi-based Forbes news team reporter.







Aug 13, 2024, 12:15am EDT

Updated Aug 13, 2024, 07:38am EDT

**TOPLINE** Former President Donald Trump signaled his willingness to offer Elon Musk a role in his administration in a proposed "government efficiency commission" if he wins the presidential election in November, during a live chat on Musk's X platform on Monday night that was marred by technical glitches.

Former President Donald Trump enthusiastically backed the idea of Musk joining a "Government ... [+] PA IMAGES VIA GETTY IMAGES

#### **KEY FACTS**

- The interview on X Spaces focused on the recent assassination attempt against Trump and his complaints about immigration, while offering little details about Trump's plans for a second term if he won.
- One of the policy topics raised by Musk was his idea of creating a "government efficiency commission" that would ensure "taxpayers money...is spent in a good way"—something the billionaire has spoken about previously.
- Musk added he would be "happy to help out on such a commission," prompting an enthusiastic response from Trump, who said he'd "love" it.
- Although Musk did not specifically mention cutting government jobs, during the interview both he and Trump criticized government

2/17/25, 6:58 PM

"overspending."

- Trump then used the example of cuts to the state made by Argentinian President Javier Milei, saying he "ran on MAGA and I hear he is doing really terrific;" Milei, who has expressed fondness towards Trump, announced plans earlier this year to slash 24,000 government jobs in a move that sparked nationwide protests in Argentina.
- Trump reiterated his plan to shut down the Department of Education if elected, saying he wants to "move education back to the states" and adding that he believes at least 35 of the 50 states "would do great" in such a scenario.

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#### **CRUCIAL QUOTE**

After hailing Musk as the "greatest cutter," Trump said: "You walk in, you just say 'You want to quit?' They go on strike—I won't mention the name of the company—but they go on strike. And you say: 'That's okay, you're all gone." Trump appeared to be referencing jobs cuts at Tesla's Gigafactory 2 in Buffalo, New York, last February.

#### **KEY BACKGROUND**

Musk raised the idea of a government efficiency commission in an interview with podcast host Lex Fridman earlier this month. When Fridman said he wished Musk "could go into Washington for a week and be the head of the committee for making government smaller," the billionaire said he has "discussed with Trump the idea of a government

efficiency commission, and I would be willing to be part of that commission." When asked how hard such an operation would be, Musk said: "The antibody reaction would be very strong. You're attacking the Matrix at that point. The Matrix will fight back."

#### **TANGENT**

Musk and Trump's discussion was marred by several technical glitches that delayed its start by nearly 45 minutes. When users tried to access the chat's audio streaming link shared on Trump's X account, they were met with a "details not available" message. Users who had managed to access the X Spaces link were greeted with hold music. Musk blamed the disruption on a "massive DDOS [distributed denial of service] attack on X." However, no verified evidence of such an attack has emerged yet and the rest of the website remained accessible at the time.

#### **FURTHER READING**

Musk-Trump X Interview: Trump Takes Friendly Questions From Musk After Glitch-Plagued Start (Forbes)

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#### **US elections 2024**

• This article is more than 5 months old

#### Trump announces plan for Elon Muskled 'government efficiency commission'

Tech billionaire has been pushing ex-president to take on policy idea, which would walk back government regulations

**Nick Robins-Early** *in New York* 

Thu 5 Sep 2024 14.27 EDT



□ Donald Trump speaks at the Economic Club of New York on 5 September 2024. Photograph: Alex Brandon/AP

Donald Trump announced in a speech on Thursday that, if elected, he would form a government efficiency commission, a policy idea that Elon Musk has been pushing him to take on. The former president claimed the tech billionaire had agreed to lead the commission.

Trump made the attention-grabbing announcement during a campaign event at the Economic Club of New York, but gave no specific details about how the commission would operate.

He reiterated Musk's argument that such a commission would cut unnecessary spending, while also saying that he would massively walk back government regulations.

"I will create a government efficiency commission tasked with conducting a complete financial and performance audit of the entire federal government, and making recommendations for drastic reforms," Trump told the crowd.

Musk and Trump have forged an increasingly close alliance over the past year, as the <a href="SpaceX">SpaceX</a> and <a href=Tesla</a> CEO has thrown his full support behind Trump's presidential campaign. <a href=Musk's backing of Trump has consequently given the world's richest man a direct line to influence Republican policy - and, if Trump were to actually create an efficiency commission, sweeping powers over federal agencies.

Musk's potential involvement in Trump's proposed commission would create obvious conflicts of interest, as his businesses, such as SpaceX and Neuralink, are both regulated by, and have business with, numerous government agencies.

Musk reposted news of Trump's plans on X, the platform formerly known as Twitter, which he bought for \$44bn, and suggested he would accept such a position. "I look forward to serving America if the opportunity arises," Musk

#### **Most viewed**



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The new wo exactly wha Are we too f to name it?
Zoe William



'This is a co Musk's purg more than c posted. "No pay, no title, no recognition is needed."

Musk raised the idea of an efficiency commission with <u>Trump during their interview on X</u> last month, with Musk offering to "help out on such a commission". Musk has frequently pushed for deregulation and opposed government oversight into his businesses, while at the same time facing investigations and lawsuits over a range of <u>allegations</u> including breaking labor laws, violating <u>animal-welfare</u> protections and engaging in sexual harassment.



Trump adm hundreds of despite four in four weel



Although Musk and Trump formerly had an acrimonious relationship – Trump once referred to Musk as a "bullshit artist", while Musk said Trump was too old to run for president – the two have formed a symbiotic relationship in recent months.

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Musk, who frequently engages with far-right activists on X and promotes anti-immigration content, has attacked Kamala Harris, the Democratic presidential nominee, as a communist, while his allies in the tech community have poured money into a Super Pac backing Trump.

#### **Most viewed**

The New Hork Times

https://www.nytimes.com/2024/10/20/us/politics/elon-musk-federal-agencies-contracts.html

U.S. Agencies Fund, and Fight With, Elon Musk. A Trump Presidency Could Give Him Power **Over** Them.

Elon Musk, the richest man in the world, will be a major political player no matter who wins the presidential election. Haiyun Jiang for The New York



Listen to this article · 12:08 min Learn more

#### By Eric Lipton, David A. Fahrenthold, Aaron Krolik and Kirsten Grind

Published Oct. 20, 2024 Updated Oct. 21, 2024

Elon Musk's influence over the federal government is extraordinary, and extraordinarily lucrative.

Mr. Musk's rocket company, SpaceX, effectively dictates NASA's rocket launch schedule. The Defense Department relies on him to get most of its satellites to orbit. His companies were promised \$3 billion across nearly 100 different contracts last year with 17 federal agencies.

#### **FEDERAL CONTRACTS**

At least **\$352,000** 

in contracts

Two of Elon Musk's companies account for at least \$15.4 billion in government contracts over the past decade.

#### CABINET DEPARTMENTS

**Energy** \$7,000

**State** \$440.000

Commerce \$1.9 million

Veterans Affairs \$463,000

Interior \$138,000

Homeland Security

Federal contracts

\$359,000

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Agriculture \$120,000

Transportation \$21,000

Defense \$3.6 billion

#### **INDEPENDENT AGENCIES**

At least **\$15.4 billion** in contracts

General Services Administration \$352,000

Environmental Protection Agency \$30,000

NASA \$11.8 billion

By Jonathan Corum

His entanglements with federal regulators are also numerous and adversarial. His companies have been targeted in at least 20 recent investigations or reviews, including over the safety of his Tesla cars and the environmental damage caused by his rockets.

#### **INVESTIGATION AND OVERSIGHT**

Mr. Musk's companies are increasingly facing **regulatory battles** and overlapping **federal investigations** from all corners of the government.

#### **CABINET DEPARTMENTS**

Transportation

Investigations
Investigations
OSHA violations
Oversight

Justice

Labor

Lawsuit Enforcement Investigation

Interior

Agriculture

Violations, fines

Discrimination suit

OSHA violations

Starbase review

Violation

Oversight,

rejected subsidies

Violations, fines

Investigation

Investigations, court order Oversight.

consent decree

**INDEPENDENT AGENCIES** 

National Labor Relations Board

Equal Employment Opportunity Comm.

Environmental Protection Agency

Securities and Exchange Comm.

Federal

Communications

Comm.

Federal Trade

Comm.

By Jonathan Corum

Given Mr. Musk's immense business footprint, he will be a major player no matter who wins the election.

But he has thrown his fortune and power behind former President Donald J. Trump and, in return, Mr. Trump has vowed to make Mr. Musk head of a new "government efficiency commission" with the power to recommend wideranging cuts at federal agencies and changes to federal rules.

That would essentially give the world's richest man and a major government contractor the power to regulate the regulators who hold sway over his companies, amounting to a potentially enormous conflict of interest.

Through a review of court filings, regulatory dockets and government contracting data, The New York Times has compiled an accounting of Mr. Musk's multipronged business arrangements with the federal government, as well as the violations, fines, consent decrees and other inquiries federal agencies have ordered against his companies. Together, they show a deep web of relationships: Instead of entering this new role as a neutral observer, Mr. Musk would be passing judgment on his own customers and regulators.

Already, Mr. Musk has discussed how he would use the new position to help his own companies.

He has questioned a rule that required SpaceX to obtain a permit for discharging large amounts of potentially polluted water from its launchpad in Texas. He also said that limiting this kind of oversight could help SpaceX reach Mars sooner — "so long as it is not smothered by bureaucracy," he wrote on X, his social-media platform. "The Department of Government Efficiency is the only path to extending life beyond Earth."

Earlier this month, he attacked the Federal Communications Commission, which oversees the internet satellites that SpaceX launches. He suggested on X that if the commission hadn't "illegally revoked" more than \$886 million worth of federal funding the company had sought to deliver internet access to rural areas, satellite kits would "probably have saved lives in North Carolina" after a hurricane devastated parts of the state.

A spokesman for the commission said it didn't award the money because the company was proposing to provide services in some areas that weren't actually rural, including the Newark Liberty International Airport.

Mr. Musk and SpaceX did not respond to requests for comment for this article. Brian Hughes, a spokesman for Mr. Trump, declined to directly address questions about the potential for a conflict of interest, if Mr. Musk takes on this new role.

"Elon Musk is a genius, an innovator, and has literally made history by building creative, modern and efficient systems," Mr. Hughes said in a statement.

Regardless of who is elected president, the deep ties between Mr. Musk and the U.S. government are unlikely to change anytime soon, with agencies becoming increasingly reliant on the vehicles, rockets, internet and other services his companies provide.

What he delivers to the U.S. government is sprawling, according to federal contract data:

#### **ROCKETS, CARS AND SATELLITES**

Some examples of the services that Mr. Musk's companies provide to the U.S. government.

State
Commerce
Veterans Affairs
Interior
Homeland Security

Energy

Transportation

Agriculture

Elon Musk's Big Business and Conflicts of Interest With the U.S. Government - The New York Fines 02/20/25 Case 8:25-cv-00462-1 DC	Page 21 of 397	2/17/25, 6:59 PM
	Defense	
\$2.2 billion	G.S.A.	
	E.P.A.	
	NASA	

**SpaceX** was hired to design, build and test a space landing system for astronauts.

**SpaceX** sold Starlink satellite internet to the U.S. embassy in Ashgabat, Turkmenistan, providing access to U.S. officials in a country that severely censors online activity.

Tesla provided a tactical vehicle to the U.S. embassy in Iceland.

And the U.S. Forestry Service used **Starlinks** to connect emergency responders battling wildfires in remote parts of California.

By Jonathan Corum

The idea for an efficiency commission originated with Mr. Musk. When he interviewed Mr. Trump on X in August, Mr. Musk brought it up three times — returning to the topic when Mr. Trump digressed into other subjects.

"I think it would be great to just have a government efficiency commission that takes a look at these things and just ensures that the taxpayer money — the taxpayers' hard-earned money — is spent in a good way," Mr. Musk said the third time. "And I'd be happy to help out on such a commission."

"I'd love it," Mr. Trump finally replied. "Well, you, you're the greatest cutter."

Maya MacGuineas, president of the nonpartisan Committee for a Responsible Federal Budget, applauded the idea of an efficiency commission, and said that Mr. Musk's experience in business could be good preparation to lead it.

She said Mr. Musk's formal power would most likely be limited. Previous presidents, going back to Theodore Roosevelt, have tried using committees of business-minded outsiders to rethink government. For their ideas to become law, Congress has to agree. Usually, she said, it does not.

But a suggestion from Mr. Musk could still be damaging to an agency, if he singled it out to Mr. Trump as an example of waste or mismanagement.

Legal experts who have studied federal ethics rules and the use of outside business executives as government advisers said Mr. Musk's interactions with the federal government are so broad it might not be possible for him to serve as a prominent adviser to the president without creating major conflicts of interest.

Mr. Musk "has had very contentious interactions and entanglements with regulators," said Kathleen Clark, an ethics lawyer who has served as an adviser to the District of Columbia Attorney General's office. "It is entirely reasonable to believe that what he would bring to this federal audit is his own set of biases and grudges and financial interests."

Mr. Musk and his companies often question federal regulations — particularly when they threaten to slow plans to further expand his operations.

One such example was the test launch this month of Starship, SpaceX's newest rocket. NASA has agreed to pay the company as much as \$4.4 billion to take astronauts to the surface of the moon on two future missions — although the dates will depend on when all the equipment is ready. So far, Starship has not flown any humans.

2/17/25, 6:59 PM

But the Federal Aviation Administration held up this most recent test launch for weeks, in part because of questions about harm SpaceX has caused to wildlife near its Texas launch site, a delay that infuriated Mr. Musk.

"We continue to be stuck in a reality where it takes longer to do the government paperwork to license a rocket launch than it does to design and build the actual hardware," SpaceX said in a statement.

Last month, the F.A.A. started the process to fine SpaceX \$633,009 for disregarding license requirements related to two of its Florida launches last year that may have compromised safety, the agency said.

This was a shift for the F.A.A., which in past instances had not imposed fines when SpaceX ignored the agency's direct orders. Marc Nichols, the F.A.A.'s chief counsel, said in a statement last month that "failure of a company to comply with the safety requirements will result in consequences."

Mr. Musk responded on his social media site: "SpaceX will be filing suit against the FAA for regulatory overreach." The company followed up with a four-page letter to Congress complaining about the F.A.A. which it said had been "unsuccessful in modernizing and streamlining its regulations."

The list of clashes by Mr. Musk's companies extends to many other federal agencies.

#### **FINES AND FIGHTING**

Several examples of clashes between U.S. agencies and Mr. Musk's companies.

**CABINET DEPARTMENTS** 

Transportation

Justice

Labor

Interior

Agriculture

#### **INDEPENDENT AGENCIES**

N.L.R.B.

E.E.O.C.

E.P.A.

S.E.C.

F.C.C

F.T.C.

The **National Highway Traffic Safety Administration** has opened five investigations of Tesla, including for complaints of unexpected braking, loss of steering control and crashes while cars were in "self-driving" mode.

Tesla has tried to block at least two rulings from the **National Labor Relations Board**, including one punishing Mr. Musk for tweeting that factory workers would lose stock options if they joined a union.

Neuralink, Mr. Musk's brain-implant company, was fined for violating **Transportation Department** rules regarding the movement of hazardous materials.

The **Justice Department** sued SpaceX, arguing that the company refused to hire refugees and people granted asylum because of their citizenship status.

By Jonathan Corum

Mr. Musk in recent years has particularly attacked the Securities and Exchange Commission, which in 2018 charged him with securities fraud for a series of false and misleading tweets related to taking Tesla private. Mr. Musk had posted on Twitter that he had planned to take the company private at \$420 a share, and

that he had "funding secured" for a transaction. As part of a later settlement with the S.E.C., he stepped down as Tesla's chairman and Tesla paid a \$20 million fine.

In a 2022 TED Talk, Mr. Musk lambasted regulators, calling them "bastards."

Even before getting a formal role in the federal government, Mr. Musk has repeatedly called for a broad effort to strike or weaken federal regulations, and to slash federal spending. "If Trump wins, we do have an opportunity to do kind of a once in a lifetime deregulation and reduction in the size of the government," Mr. Musk said at a conference in Los Angeles last month.

If Mr. Musk were to get a senior advisory role in a Trump administration, regulators might have to consider how taking action against one of Mr. Musk's companies might affect their budget or regulatory authority, even if he did not directly push those agencies to back down, Ms. Clark said.

The federal government has rules intended to prevent such conflicts. There are 1,019 advisory committees with more than 60,000 members, opining on everything from how pesticides are used on farms to how wild horses in the United States are managed. But these committees each have very narrow jurisdiction, compared to a governmentwide "efficiency" review that Mr. Musk would lead.

Another criminal law prohibits federal employees and outside advisers who are sometimes considered "special government employees" from "participating personally and substantially in any particular matter that affects your financial interests, as well as the financial interests of your spouse, minor child, general partner, an organization in which you serve as an officer."

But that has often not prevented problems with outside advisers — even those with much less complicated portfolios than Mr. Musk's. Pharmaceutical industry advisers to the Food and Drug Administration, various studies have shown, often appear to have made recommendations that benefit their corporate interests, as have military contractors tapped to advise the Pentagon.

Mr. Musk has hinted at one government efficiency he would like to see: killing NASA's Starliner contract with Boeing, his main industry competitor.

"The world doesn't need another capsule," he wrote earlier this year, referring to the long-delayed Boeing system, which returned empty this month, after encountering trouble on its first human test flight. (He has not addressed if the proposed efficiency committee would take this up.)

Mr. Trump has previously faced accusations that he created conflicts when he named certain business executives as advisers.

That included his appointment of Carl Icahn, the billionaire investor, as a special adviser on regulatory matters in 2017, even as Mr. Icahn was lobbying federal regulators to revamp a rule that would allow a Texas oil refinery he partly owned to save hundreds of millions of dollars. Mr. Icahn ended up stepping down from the unpaid role only months after he was appointed, after broad criticism of the arrangement.

Richard Briffault, a Columbia University professor of law who has served as chair of the New York City Conflicts of Interest Board, said that there might be an advantage to having Mr. Musk as a formal adviser to Mr. Trump — because that would at least require some disclosure of the advice he was offering.

"Having this in public as opposed to having Elon Musk calling up the White House and saying, 'Hey, this agency is coming down hard on me. Get them to back off,' — is that even worse?" Mr. Briffault said. "It's an open question."

#### Methodology

The New York Times analyzed transaction-level contract and grant data from usaspending.gov between the 2013 and 2023 fiscal years, calculating total obligated dollars by funding agency for businesses founded by Elon Musk. The Times consulted experts at The Pulse, a federal research and advisory firm, and the Center for Strategic and International Studies, a Washington think tank, to review the methodology.

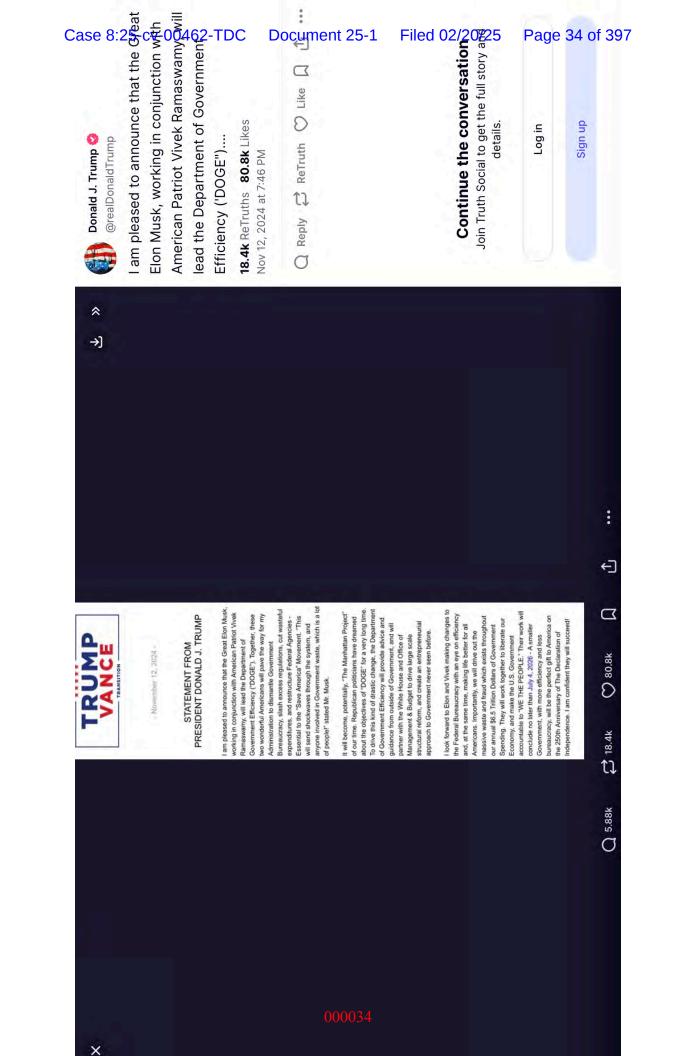
Kitty Bennett contributed research.

**Eric Lipton** is an investigative reporter, who digs into a broad range of topics from Pentagon spending to toxic chemicals. More about Eric Lipton

**David A. Fahrenthold** is an investigative reporter writing about nonprofit organizations. He has been a reporter for two decades. More about David A. Fahrenthold

**Kirsten Grind** is an investigative business reporter writing stories about companies, chief executives and billionaires across Silicon Valley and the technology industry. More about Kirsten Grind

A version of this article appears in print on , Section A, Page 1 of the New York edition with the headline: Musk the Contractor vs. Musk the U.S. Adviser



#### **TI** Department of Government Efficiency reposted





Elon Musk 🤣 🛛 @elonmusk · Nov 12



-November 12, 2024 -

#### STATEMENT FROM PRESIDENT DONALD J. TRUMP

I am pleased to announce that the Great Elon Musk, working in conjunction with American Patriot Vivek Ramaswamy, will lead the Department of Government. Efficiency ("DOGE"). Together, these two wonderful Americans will pave the way for my Administration to dismantle Government Bureaucracy, slash excess regulations, cut wasteful expenditures, and restructure Federal Agencies -Essential to the "Save America" Movement. "This will send shockwaves through the system, and anyone involved in Government waste, which is a lot of people!" stated Mr. Musk.

It will become, potentially, "The Manhattan Project" of our time. Republican politicians have dreamed about the objectives of "DOGE" for a very long time. To drive this kind of drastic change, the Department of Government Efficiency will provide advice and guidance from outside of Government, and will partner with the White House and Office of Management & Budget to drive large scale structural reform, and create an entrepreneurial approach to Government never

I look forward to Elon and Vivek making changes to the Federal Bureaucracy with an eye on efficiency and, at the same time, making life better for all Americans. Importantly, we will drive out the massive waste and fraud which exists throughout our annual \$6.5 Trillion Dollars of Government Spending. They will work together to liberate our Economy, and make the U.S. Government accountable to "WE THE PEOPLE.\* Their work will conclude no later than July 4, 2026 - A smaller Government, with more efficiency and less bureaucracy, will be the perfect gift to America on the 250th Anniversary of The Declaration of Independence. I am

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https://www.wsj.com/opinion/musk-and-ramaswamy-the-doge-plan-to-reform-government-supreme-court-guidance-end-executive-power-grab-fa51c020

OPINION

**COMMENTARY** Follow



## Elon Musk and Vivek Ramaswamy: The DOGE Plan to Reform Government

Following the Supreme Court's guidance, we'll reverse a decadeslong executive power grab.

#### By Elon Musk and Vivek Ramaswamy

Nov. 20, 2024 at 12:33 pm ET

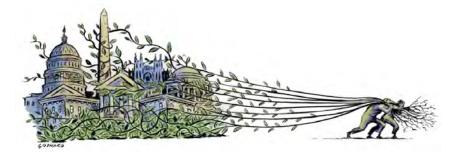


ILLUSTRATION: DAVID GOTHARD

Our nation was founded on the basic idea that the people we elect run the government. That isn't how America functions today. Most legal edicts aren't laws enacted by Congress but "rules and regulations" promulgated by unelected bureaucrats—tens of thousands of them each year. Most government enforcement decisions and discretionary expenditures aren't made by the democratically elected president or even his political appointees but by millions of unelected, unappointed civil servants within government agencies who view themselves as immune from firing thanks to civil-service protections.

This is antidemocratic and antithetical to the Founders' vision. It imposes massive direct and indirect costs on taxpayers. Thankfully, we have a historic opportunity to solve the

problem. On Nov. 5, voters decisively elected Donald Trump with a mandate for sweeping change, and they deserve to get it.

President Trump has asked the two of us to lead a newly formed Department of Government Efficiency, or DOGE, to cut the federal government down to size. The entrenched and ever-growing bureaucracy represents an existential threat to our republic, and politicians have abetted it for too long. That's why we're doing things differently. We are entrepreneurs, not politicians. We will serve as outside volunteers, not federal officials or employees. Unlike government commissions or advisory committees, we won't just write reports or cut ribbons. We'll cut costs.

We are assisting the Trump transition team to identify and hire a lean team of small-government crusaders, including some of the sharpest technical and legal minds in America. This team will work in the new administration closely with the White House Office of Management and Budget. The two of us will advise DOGE at every step to pursue three major kinds of reform: regulatory rescissions, administrative reductions and cost savings. We will focus particularly on driving change through executive action based on existing legislation rather than by passing new laws. Our North Star for reform will be the U.S. Constitution, with a focus on two critical Supreme Court rulings issued during President Biden's tenure.

In *West Virginia v. Environmental Protection Agency* (2022), the justices held that agencies can't impose regulations dealing with major economic or policy questions unless Congress specifically authorizes them to do so. In *Loper Bright v. Raimondo* (2024), the court overturned the *Chevron* doctrine and held that federal courts should no longer defer to federal agencies' interpretations of the law or their own rulemaking authority. Together, these cases suggest that a plethora of current federal regulations exceed the authority Congress has granted under the law.

DOGE will work with legal experts embedded in government agencies, aided by advanced technology, to apply these rulings to federal regulations enacted by such agencies. DOGE will present this list of regulations to President Trump, who can, by executive action, immediately pause the enforcement of those regulations and initiate the process for review

and rescission. This would liberate individuals and businesses from illicit regulations never passed by Congress and stimulate the U.S. economy.

When the president nullifies thousands of such regulations, critics will allege executive overreach. In fact, it will be *correcting* the executive overreach of thousands of regulations promulgated by administrative fiat that were never authorized by Congress. The president owes lawmaking deference to Congress, not to bureaucrats deep within federal agencies. The use of executive orders to substitute for lawmaking by adding burdensome new rules is a constitutional affront, but the use of executive orders to roll back regulations that wrongly bypassed Congress is legitimate and necessary to comply with the Supreme Court's recent mandates. And after those regulations are fully rescinded, a future president couldn't simply flip the switch and revive them but would instead have to ask Congress to do so.

A drastic reduction in federal regulations provides sound industrial logic for mass head-count reductions across the federal bureaucracy. DOGE intends to work with embedded appointees in agencies to identify the minimum number of employees required at an agency for it to perform its constitutionally permissible and statutorily mandated functions. The number of federal employees to cut should be at least proportionate to the number of federal regulations that are nullified: Not only are fewer employees required to enforce fewer regulations, but the agency would produce fewer regulations once its scope of authority is properly limited. Employees whose positions are eliminated deserve to be treated with respect, and DOGE's goal is to help support their transition into the private sector. The president can use existing laws to give them incentives for early retirement and to make voluntary severance payments to facilitate a graceful exit.

Conventional wisdom holds that statutory civil-service protections stop the president or even his political appointees from firing federal workers. The purpose of these protections is to protect employees from political retaliation. But the statute allows for "reductions in force" that don't target specific employees. The statute further empowers the president to "prescribe rules governing the competitive service." That power is broad. Previous presidents have used it to amend the civil service rules by executive order, and the

Supreme Court has held—in *Franklin v. Massachusetts* (1992) and *Collins v. Yellen* (2021) that they weren't constrained by the Administrative Procedures Act when they did so. With this authority, Mr. Trump can implement any number of "rules governing the competitive service" that would curtail administrative overgrowth, from large-scale firings to relocation of federal agencies out of the Washington area. Requiring federal employees to come to the office five days a week would result in a wave of voluntary terminations that we welcome: If federal employees don't want to show up, American taxpayers shouldn't pay them for the Covid-era privilege of staying home.

Finally, we are focused on delivering cost savings for taxpayers. Skeptics question how much federal spending DOGE can tame through executive action alone. They point to the 1974 Impoundment Control Act, which stops the president from ceasing expenditures authorized by Congress. Mr. Trump has previously suggested this statute is unconstitutional, and we believe the current Supreme Court would likely side with him on this question. But even without relying on that view, DOGE will help end federal overspending by taking aim at the \$500 billion plus in annual federal expenditures that are unauthorized by Congress or being used in ways that Congress never intended, from \$535 million a year to the Corporation for Public Broadcasting and \$1.5 billion for grants to international organizations to nearly \$300 million to progressive groups like Planned Parenthood.

The federal government's procurement process is also badly broken. Many federal contracts have gone unexamined for years. Large-scale audits conducted during a temporary suspension of payments would yield significant savings. The Pentagon recently failed its seventh consecutive audit, suggesting that the agency's leadership has little idea how its annual budget of more than \$800 billion is spent. Critics claim that we can't meaningfully close the federal deficit without taking aim at entitlement programs like Medicare and Medicaid, which require Congress to shrink. But this deflects attention from the sheer magnitude of waste, fraud and abuse that nearly all taxpayers wish to end—and that DOGE aims to address by identifying pinpoint executive actions that would result in immediate savings for taxpayers.

With a decisive electoral mandate and a 6-3 conservative majority on the Supreme Court, DOGE has a historic opportunity for structural reductions in the federal government. We are prepared for the onslaught from entrenched interests in Washington. We expect to prevail. Now is the moment for decisive action. Our top goal for DOGE is to eliminate the need for its existence by July 4, 2026—the expiration date we have set for our project. There is no better birthday gift to our nation on its 250th anniversary than to deliver a federal government that would make our Founders proud.

Mr. Musk is CEO of SpaceX and Tesla. Mr. Ramaswamy, a businessman, is author, most recently, of "Truths: The Future of America First" and was a candidate for the 2024 Republican presidential nomination. President-elect Trump has named them co-heads of the Department of Government Efficiency.

Appeared in the November 21, 2024, print edition as 'The DOGE Plan to Reform Government'.

### **Videos**

## The American Presidency Project (https://www.presidency.ucsb.edu/)



DONALD J. TRUMP (2ND TERM)
(/PEOPLE/PRESIDENT/DON ALD-J-TRUMP-2ND-TERM)

Statement by Presidentelect Donald J. Trump Announcing the

Appointment of David A. Warrington as Assistant to the President and Counsel to the President

December 04, 2024

I am proud to announce the appointment of David A. Warrington to serve as Assistant to the President and Counsel to the President. Dave will lead the Office of White House Counsel, and serve as the top attorney in the White House. Dave has represented me well as my personal attorney, and as General Counsel for my Presidential Campaign. He is an esteemed lawyer and Conservative leader. Dave is currently a Partner at the Dhillon Law Group, and a former President of the Republican National Lawyers Association. Dave is a Veteran of the United States Marine Corps, and a Magna Cum Laude Graduate of Georgetown University, and the George Mason University School of Law.

Additionally, I have asked William Joseph McGinley to serve as Counsel to the Department of Government Efficiency ("DOGE"), something he is very passionate about. Bill will work with Elon Musk, Vivek Ramaswamy, and their team of incredible pioneers at DOGE, to rebuild a U.S. Government that truly serves the People. Bill will play a crucial role in liberating our Economy from burdensome Regulations, excess spending, and Government waste. He will partner with the White House and the Office of Management and Budget to provide advice and guidance to end the bloated Federal Bureaucracy. Bill is a great addition to a stellar team that is focused on making life better for all Americans. He will be at the forefront of my Administration's efforts to make our Government more efficient and more accountable.

Congratulations to Dave and Bill!

Donald J. Trump (2nd Term), Statement by President-elect Donald J. Trump Announcing the Appointment of David A. Warrington as Assistant to the President and Counsel to the President Online by Gerhard Peters

# How Trump's Department of Government Efficiency Will Work

The structure and goals of the cost-cutting effort have changed over the past 10 weeks. Here's how.



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By Madeleine Ngo and Theodore Schleifer Reporting from Washington

Jan. 21, 2025

With the official establishment on Monday of President Trump's closely watched effort to slash federal spending — which he has called the Department of Government Efficiency — some key information was revealed, including details about how the group will be structured and a new focus on modernizing technology.

But a number of critical questions have not yet been answered.

Mr. Trump's executive order creating the group underscores how much the idea has been worked through over the past few weeks.

In November, Mr. Trump initially said the group would provide outside advice as it worked closely with White House budget officials. The president's order, however, brings the group inside the federal government. The order also follows

a major shake-up in leadership. Elon Musk will be its sole leader after Vivek Ramaswamy bowed out of the project.

## How will the group be structured?

The order essentially means that the group will be an official unit within the executive office of the president. The so-called "United States DOGE Service" will take over the United States Digital Service, which was created in 2014 by former President Barack Obama to improve government services through the use of technology.

The order also created a temporary organization within the larger service that will end on July 4, 2026. It is unclear how its mission will differ from that of the broader U.S. DOGE Service, although its deadline is the same one that Mr. Trump originally set for the group to provide recommendations to drive out "waste and fraud" within the federal budget.

There will also be "DOGE teams" embedded within federal agencies that can consist of special government employees, a specific category of temporary workers who can only work for the federal government for 130 days or less in a 365-day period. Mr. Musk himself may be one of them, but the executive order did not make that clear.

## How will the "DOGE teams" work?

Each team will be made up of at least four employees, who are expected to include a team lead, engineer, human resources specialist and attorney. Agency heads will select team members in consultation with the U.S. DOGE Service.

Team leads will coordinate with the U.S. DOGE Service and provide advice to agency heads, who must ensure that the group "has full and prompt access to all unclassified agency records, software systems and IT systems" to the "maximum extent consistent with law."

Mr. Trump's order does not lay out specific tasks for the teams, other than "implementing the president's DOGE agenda." But the teams are expected to identify potential spending cuts and regulations that could be slashed.

The order did not specify a budget for the group. It is also unclear how much those working for the service will be paid, although some are expected to be volunteers.

## What are its goals?

In November, Mr. Trump laid out several ambitious goals for the group, including to "dismantle government bureaucracy, slash excess regulations, cut wasteful expenditures and restructure federal agencies."

Mr. Trump's order on Monday did not explicitly mention efforts to slash the budget or overhaul federal regulations. Instead, it said the group would advance the "president's DOGE agenda" by "modernizing federal technology and software to maximize governmental efficiency and productivity." The group's head will carry out an initiative that aims to improve government software, network infrastructure and information technology systems, the order said.

In recent weeks, the group's leaders have scaled back some of the initial goals. During Mr. Trump's campaign, Mr. Musk said the effort could result in "at least \$2 trillion" in cuts from the \$6.75 trillion federal budget. But in an interview earlier this month, Mr. Musk downplayed the total potential savings.

"We'll try for \$2 trillion — I think that's like the best-case outcome," Mr. Musk said. "You kind of have to have some overage. I think if we try for \$2 trillion, we've got a good shot at getting one."

## Who are the group's leaders?

Mr. Trump initially said that Mr. Musk and Vivek Ramaswamy would lead the cost-cutting effort together. But on the first day of the Trump administration, a White House spokeswoman confirmed that Mr. Ramaswamy would quit.

Mr. Ramaswamy, who is expected to announce his bid for governor of Ohio next week, left DOGE after encountering turbulence in Mr. Trump's orbit with both Mr. Trump and Mr. Musk.

There are some big questions remaining. Mr. Trump's order said the U.S. DOGE Service would have an "administrator" who will report to the White House chief of staff. But it did not say who the administrator would be, and representatives of the group did not return requests for clarification.

Possibilities would include Mr. Musk or the two people who have largely been running the group during the presidential transition: Steve Davis, a trusted aide to Mr. Musk, or Brad Smith, a health care entrepreneur and former top health official in Mr. Trump's first White House who is close with Jared Kushner.

## Will Mr. Musk have an office in the White House?

While signing executive orders on Monday, Mr. Trump said that Mr. Musk would have an office in the White House with about 20 people, but it is unclear whether it will be in the West Wing.

The New York Times reported on Monday afternoon that Mr. Musk is likely to have office space in the West Wing, but when Mr. Trump was asked that evening to confirm that, he said Mr. Musk would not.

Mr. Musk had been expected to be situated in the White House complex and has a government email address. He has spent the last several weeks working out of SpaceX's Washington headquarters, joined by a team of engineers and aides, some of whom carry navy blue mesh baseball caps in all-white capital letters reading "DOGE."

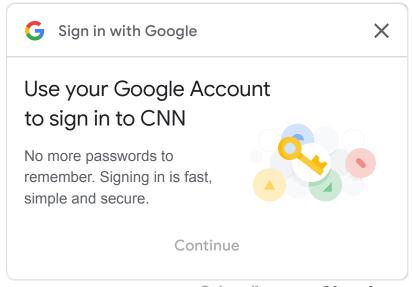
## Will the work of the group be subject to public information requests?

That, too, is unclear. The unit previously known as the U.S. Digital Service existed within the Office of Management and Budget, which is subject to the federal Freedom of Information Act, which provides for the release of information upon request that has not been made public, unless it falls under an exemption. But if the unit gets moved elsewhere within the executive office of the president, it could be exempt from the act.

The work of the "DOGE teams" could be subject to the act, though, because they would be embedded within federal agencies.

**Madeleine Ngo** covers U.S. economic policy and how it affects people across the country. More about Madeleine Ngo

**Theodore Schleifer** is a Times reporter covering campaign finance and the influence of billionaires in American politics. More about Theodore Schleifer







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## Elon Musk is serving as a 'special government employee,' White House says

By Kaitlan Collins and Tierney Sneed, CNN

② 3 minute read · Updated 8:12 PM EST, Mon February 3, 2025











Elon Musk arrives to the inauguration of President-elect Donald Trump in the Rotunda of the US Capitol on January 20 in Washington, DC. Chip Somodevilla/Pool/Reuters

**Washington (CNN)** — Elon Musk is officially serving under President Donald Trump as a special government employee, according to a White House official.

That designation means Musk - the billionaire tech entrepreneur who has been a force within the new Trump administration - is not a volunteer but also not a full-time federal employee.

According to a Justice Department summary, a special government employee is "anyone who works, or is expected to work, for the government for 130 days or less in a 365-day period." Musk is not being paid, a person familiar with his employment told CNN.

Musk has a top secret security clearance, an official familiar with the matter tells CNN.

Musk, who is the world's richest man and became an ardent supporter of Trump's during the campaign, has an office on the White House campus. Within weeks of Trump taking office, Musk has shown he has a broad mandate to carry out his government efficiency initiative known as DOGE.

On Monday, Trump confirmed Musk has access to the <u>Treasury Department's critical</u> <u>payment system</u>, which sends out money on behalf of the entire federal government. Federal unions and others on Monday sued the Treasury Department over the access.

Treasury Secretary Scott Bessent was inside the Oval Office as Trump commented on Musk's purview.

"Elon can't do and won't do anything without our approval. And we'll give him the approval where appropriate. Where not appropriate, we won't," the president said.

Musk's business success has been partly <u>fueled by federal money</u>, and SpaceX has received billions of dollars in direct government contracts.

As a special government employee, Musk is covered by a federal conflicts-of-interest statute that prohibits government employees from participating in matters that would affect their financial interests. That law can be enforced criminally or in the civil context, but it can only be enforced by the Justice Department.

"We are relying on the Justice Department for enforcement of the financial conflict-ofinterest standards against Elon Musk and everyone else, and there is a reason to doubt that the Trump Justice Department will enforce any statutes, including criminal statutes, against a Trump ally," said Kathleen Clark, a Washington University law professor who specializes in government ethics.

The designation also makes Musk subject to many government ethics standards, but not all of them.

It remains to be seen if Musk's designation requires him to file a financial disclosure that will be made public.

According to the DOJ summary, special government employees "may be required to submit a financial disclosure report within 30 days of assuming your position. If you are paid above the rate paid to a GS-15 and expected to serve for more than 60 days, you are required to submit a report that is made available to the public. If you are paid at or below that level, you must file a report on a confidential basis if your decision making could have an economic effect on a non-federal entity."

Musk's link to Trump's agenda is affecting his outside business. After Trump announced he would impose <u>a 25% tariff</u> on Canada starting at midnight Tuesday, the Canadian province of Ontario said it was canceling a contract with Starlink, Musk's satellite internet service.

This story has been updated with additional details.

FORBES > BUSINESS

**BREAKING** 

## White House Says Elon Musk Trusted To Claim His Own Conflicts Of Interest As 'Special Government Employee'—Here's What That Means

Ty Roush Forbes Staff

Ty Roush is a breaking news reporter based in New York City.







Feb 5, 2025, 04:19pm EST

**TOPLINE** Elon Musk will work under President Donald Trump as a "special government employee," designating Musk as an unpaid employee of the federal government with fewer restrictions than full-time employees, according to the White House, as Musk's so-called Department Of Government Efficiency has involved itself in multiple federal agencies in recent days.



The Tesla CEO was tapped by President Donald Trump to lead the Department of Government Efficiency. ... [+] GETTY IMAGES

### **KEY FACTS**

- Musk was named a "special government employee" and has received a
  government email address and office space within the White House, a
  White House official told multiple outlets including the Associated
  Press, though it's not immediately clear when Musk received the
  designation (the White House did not immediately respond to a request
  for comment).
- Musk will not be paid while working for the government, a person familiar with his employment told CNN, which may help Musk avoid having to fill out financial disclosure forms; a public financial disclosure report is only required if an employee is paid and serves more than 60 days, according to the Department of Justice.

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#### WHAT ARE SPECIAL GOVERNMENT EMPLOYEES?

A special government employee is anyone working or expecting to work for the federal government for up to 130 days, according to Justice Department guidelines. The role is subject to most rules and guidelines that apply to full-time employees, though they are often "less restrictive" because their roles are temporary, including fewer restrictions on conflicts of interests, the agency noted. Special government employees are prohibited from participating in matters that may feature financial conflicts of interest, including matters that could affect an organization or company they work for. The employees are also prevented from using their role to influence or interfere with an election or engage in political activity while on duty.

### DOES ELON MUSK HAVE CONFLICTS OF INTEREST AS A FEDERAL EMPLOYEE?

It's not immediately clear whether Musk, whose SpaceX holds federal contracts worth billions of dollars, violates ethics agreements for federal employees. The U.S. Agency for International Development, which Musk has criticized and called to abolish, holds two active contracts with Musk's satellite internet firm Starlink, though funds from those contracts have been spent. Ann Skeet, director of leadership ethics at Santa Clara University's Markkula Center, suggested to the Associated Press that Musk was "in a position to try and curry favor" for his companies, including possible incentives for his social media platform X, Tesla, his AI startup xAI and brain implant maker Neuralink. Trump said Monday that Musk would be kept away from interacting with aspects of government that could be a conflict of interest, saying if "there's a problem, we won't

let him go near it." However, White House press secretary Karoline Leavitt said Tuesday that Musk would be trusted with calling out his own conflicts of interest. If the tech billionaire encounters a conflict of interest with his companies' contracts and the funding overseen by DOGE, "then Elon will excuse himself from those contracts," Leavitt said.

#### **KEY BACKGROUND**

Musk's role in the Trump administration followed months of his support for Trump's campaign, during which the world's richest man gave more than \$200 million toward pro-Trump efforts. Trump announced Musk would lead his administration's cost-cutting efforts as head of the newly-created Department of Government Efficiency, a task force-like department which Musk vowed would cut government spending and align federal agencies' work with his ideological beliefs. The Trump administration has also reportedly granted Musk and his DOGE team control of the Treasury Department's payment system, which disburses funds throughout the federal government. DOGE has tried to make other changes to the federal government in recent weeks: team members tried to enter offices for USAID—an agency that provides humanitarian relief to foreign countries—over the weekend, as Musk tweeted it was time for the agency "to die."

### **FURTHER READING**

AP NEWS

Musk is a 'special government employee,' the White House confirms

## Inside Musk's Aggressive Incursion Into the Federal Government

The billionaire is creating major upheaval as his team sweeps through agencies, in what has been an extraordinary flexing of power by a private individual.

Empowered by President Trump, Elon Musk is waging a largely unchecked war against the federal bureaucracy. Kenny Holston/The **New York Times** 



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By Jonathan Swan, Theodore Schleifer, Maggie Haberman, Kate Conger, Ryan Mac and Madeleine Ngo Published Feb. 3, 2025 Updated Feb. 4, 2025

In Elon Musk's first two weeks in government, his lieutenants gained access to closely held financial and data systems, casting aside career officials who warned that they were defying protocols. They moved swiftly to shutter specific programs — and even an entire agency that had come into Mr. Musk's cross

2/17/25, 7:08 PM

hairs. They bombarded federal employees with messages suggesting they were lazy and encouraging them to leave their jobs.

Empowered by President Trump, Mr. Musk is waging a largely unchecked war against the federal bureaucracy — one that has already had far-reaching consequences.

Mr. Musk's aggressive incursions into at least half a dozen government agencies have challenged congressional authority and potentially breached civil service protections.

Top officials at the Treasury Department and the U.S. Agency for International Development who objected to the actions of his representatives were swiftly pushed aside. And Mr. Musk's efforts to shut down U.S.A.I.D., a key source of foreign assistance, have reverberated around the globe.

Mr. Musk, the world's richest man, is sweeping through the federal government as a singular force, creating major upheaval as he looks to put an ideological stamp on the bureaucracy and rid the system of those who he and the president deride as "the deep state."

The rapid moves by Mr. Musk, who has a multitude of financial interests before the government, have represented an extraordinary flexing of power by a private individual.

The speed and scale have shocked civil servants, who have been frantically exchanging information on encrypted chats, trying to discern what is unfolding.

Senior White House staff members have at times also found themselves in the dark, according to two officials, who spoke on the condition of anonymity to describe sensitive discussions. One Trump official, who was not authorized to speak publicly, said Mr. Musk was widely seen as operating with a level of autonomy that almost no one can control.

Mr. Musk, the leader of SpaceX, Tesla and X, is working with a frantic, around-the-clock energy familiar to the employees at his various companies, flanked by a cadre of young engineers, drawn in part from Silicon Valley. He has moved beds into the headquarters of the federal personnel office a few blocks from the White House, according to a person familiar with the situation, so he and his staff, working late into the night, could sleep there, reprising a tactic he has deployed at Twitter and Tesla.

This time, however, he carries the authority of the president, who has bristled at some of Mr. Musk's ready-fire-aim impulses but has praised him publicly.

"He's a big cost-cutter," Mr. Trump told reporters on Sunday. "Sometimes we won't agree with it and we'll not go where he wants to go. But I think he's doing a great job. He's a smart guy."



Mr. Trump has given Mr. Musk vast power over the bureaucracy that regulates his companies and awards them contracts. Haiyun Jiang for The New York Times

Mr. Musk, who leads a cost-cutting initiative the administration calls the Department of Government Efficiency, boasted on Saturday that his willingness to work weekends was a "superpower" that gave him an advantage over his adversary. The adversary he was referring to was the federal work force.

"Very few in the bureaucracy actually work the weekend, so it's like the opposing team just leaves the field for 2 days!" Mr. Musk posted on X.

There is no precedent for a government official to have Mr. Musk's scale of conflicts of interest, which include domestic holdings and foreign connections such as business relationships in China. And there is no precedent for someone who is not a full-time employee to have such ability to reshape the federal work force.

The historian Douglas Brinkley described Mr. Musk as a "lone ranger" with limitless running room. He noted that the billionaire was operating "beyond scrutiny," saying: "There is not one single entity holding Musk accountable. It's a harbinger of the destruction of our basic institutions."

Several former and current senior government officials — even those who like what he is doing — expressed a sense of helplessness about how to handle Mr. Musk's level of unaccountability. At one point after another, Trump officials have generally relented rather than try to slow him down. Some hoped Congress would choose to reassert itself.

Mr. Trump himself sounded a notably cautionary note on Monday, telling reporters: "Elon can't do and won't do anything without our approval. And we'll give him the approval where appropriate, where not appropriate, we won't."

"If there's a conflict," he added, "then we won't let him get near it."

However, the president has given Mr. Musk vast power over the bureaucracy that regulates his companies and awards them contracts. He is shaping not just policy but personnel decisions, including successfully pushing for Mr. Trump to pick Troy Meink as the Air Force secretary, according to three people with direct knowledge of his role.

Mr. Meink previously ran the Pentagon's National Reconnaissance Office, which helped Mr. Musk secure a multibillion-dollar contract for SpaceX to help build and deploy a spy satellite network for the federal government.

2/17/25, 7:08 PM

Part of SpaceX's Starship rocket in Boca Chica, Texas, last year. Mr. Musk is shaping both policy and personnel decisions that could benefit his companies. Meridith Kohut for The New York Times

Since Mr. Trump's inauguration, Mr. Musk and his allies have taken over the United States Digital Service, now renamed United States DOGE Service, which was established in 2014 to fix the federal government's online services.

They have commandeered the federal government's human resources department, the Office of Personnel Management.

They have gained access to the Treasury's payment system — a powerful tool to monitor and potentially limit government spending.

Mr. Musk has also taken a keen interest in the federal government's real estate portfolio, managed by the General Services Administration, moving to terminate leases. Internally, G.S.A. leaders have started to discuss eliminating as much as 50 percent of the agency's budget, according to people familiar with the conversations.

Perhaps most significant, Mr. Musk has sought to dismantle U.S.A.I.D., the government's lead agency for humanitarian aid and development assistance. Mr. Trump has already frozen foreign aid spending, but Mr. Musk has gone further.

"We spent the weekend feeding USAID into the wood chipper," Mr. Musk gloated on X at 1:54 a.m. Monday. "Could gone to some great parties. Did that instead."

Mr. Musk's allies now aim to inject artificial intelligence tools into government systems, using them to assess contracts and recommend cuts. On Monday, Thomas Shedd, a former Tesla engineer who has been tapped to lead a technology team at G.S.A., told some staff members that he hoped to put all federal contracts into a centralized system so they could be analyzed by artificial intelligence, three people familiar with the meeting said.

Mr. Musk's actions have astounded and alarmed Democrats and government watchdog groups. They question if Mr. Musk is breaching federal laws that give Congress the final power to create or eliminate federal agencies and set their budgets, require public disclosure of government actions and prohibit

individuals from taking actions that might benefit themselves personally.

At least four lawsuits have been filed in federal court to challenge his authority and the moves by the new administration, but it remains to be seen if judicial review can keep up with Mr. Musk.

The New York Times spoke to more than three dozen current and former administration officials, federal employees and people close to Mr. Musk who described his expanding influence over the federal government. Few were willing to speak on the record, for fear of retribution.

"Before Congress and the courts can respond, Elon Musk will have rolled up the whole government," said one official who works inside an agency where representatives from Mr. Musk's cost-cutting initiative have asserted control.

Mr. Musk says he is making long overdue reforms. So far, his team has claimed to help save the federal government more than \$1 billion a day through efforts like the cancellation of federal building leases and contracts related to diversity, equity and inclusion, although they have provided few specifics.

## Controlling the Pipes

Workers in the Eisenhower Executive Office Building, which housed some operations for the United States Digital Service, arrived the day after Mr. Trump's inauguration to find a sticky note with "DOGE" on a door to a suite once used as a work space for senior technologists at the agency.

It was one of the first signs that Mr. Musk's team had arrived. Inside, black backpacks were strewed about, and unfamiliar young men roamed the halls without the security badges that federal employees typically carried to enter their offices.

Mr. Musk and his team have set up shop in the Eisenhower Executive Office Building. Eric Lee/The New York Times

The quick takeover was similar to the playbook Mr. Musk has used in the private sector, where he has been a ruthless cost cutter, subscribing to the philosophy that it is better to cut too deeply and fix any problems that arise later. He routinely pushes his employees to ignore regulations they consider "dumb." And he is known for taking extreme risks, pushing both Tesla and SpaceX to the brink of bankruptcy before rescuing them.

In his current role, Mr. Musk has a direct line to Mr. Trump and operates with little if any accountability or oversight, according to people familiar with the dynamic. He often enters the White House through a side entrance, and drops into meetings. He has a close working relationship with Mr. Trump's top policy adviser, Stephen Miller, who shares Mr. Musk's contempt for much of the federal work force.

At one point, Mr. Musk sought to sleep over in the White House residence. He sought and was granted an office in the West Wing but told people that it was too small. Since then, he has told friends he is reveling in the trappings of the opulent Secretary of War Suite in the Eisenhower Executive Office Building, where he has worked some days. His team is staffed heavily by engineers — at least one as young as 19 — who have worked at his companies like X or SpaceX, but have little if any experience in government policy and are seeking security clearances.

Officially, Mr. Musk is serving as a special government employee, according to the White House press secretary, Karoline Leavitt. This is a status typically given to part-time, outside advisers to the federal government who offer advice based on private sector expertise.

The White House declined to say if Mr. Musk had been granted a waiver that allowed him to get involved in agencies whose actions could affect his own personal interests. And even if he had been given such a waiver, four former White House ethics lawyers said they could not envision how it could be structured to appropriately cover the range of the work Mr. Musk is overseeing.

In a statement, Ms. Leavitt said that "Elon Musk is selflessly serving President Trump's administration as a special government employee, and he has abided by all applicable federal laws."

Mr. Musk has told Trump administration officials that to fulfill their mission of radically reducing the size of the federal government, they need to gain access to the computers — the systems that house the data and the details of government personnel, and the pipes that distribute money on behalf of the federal government.

Mr. Musk has been thinking radically about ways to sharply reduce federal spending for the entire presidential transition. After canvassing budget experts, he eventually became fixated on a critical part of the country's infrastructure: the Treasury Department payment system that disburses trillions of dollars a year on behalf of the federal government.

Mr. Musk has told administration officials that he thinks they could balance the budget if they eliminate the fraudulent payments leaving the system, according to an official who discussed the matter with him. It is unclear what he is basing that statement on. The federal deficit for 2024 was \$1.8 trillion. The Government Accountability Office estimated in a report that the government made \$236 billion in improper payments — three-quarters of which were overpayments — across 71 federal programs during the 2023 fiscal year.

The push by Mr. Musk into the Treasury Department led to a months-in-the-making standoff last week when a top career official, David Lebryk, resisted giving representatives from the cost-cutting effort access to the federal payment system. Mr. Lebryk was threatened with administrative leave and then retired. Treasury Secretary Scott Bessent subsequently approved access for the Musk team, as The Times previously reported.

Treasury Secretary Scott Bessent approved the Musk team's access to the Treasury payments system shortly after he was confirmed. Haiyun Jiang for The New York Times

The Treasury Department's proprietary system for paying the nation's financial obligations is an operation traditionally run by a small group of career civil servants with deep technical expertise. The prospect of an intrusion into that system by outsiders such as Mr. Musk and his team has raised alarm among current and former Treasury officials that a mishap could lead to critical government obligations going unpaid, with consequences ranging from missed benefits payments to a federal default.

Ms. Leavitt said the access they were granted so far was "read only," meaning the staff members could not alter payments.

Democrats on Monday said they would introduce legislation to try to bar Mr. Musk's deputies from entering the Treasury system. "The Treasury secretary must revoke DOGE's access to the Treasury payment system at once," said Senator Chuck Schumer, Democrat of New York and the minority leader. "If he does not, Congress must act immediately."

Another key pipeline is the government's personnel database, run out of the Office of Personnel Management, where Mr. Musk has quickly asserted his influence. At least five people who have worked for Mr. Musk in some capacity now have key roles in the office, according to people familiar with their roles.

Last week, the personnel agency sent an email to roughly two million federal workers offering them the option to resign but be paid through the end of September. The email's subject line, "Fork in the Road," was the same one that Mr. Musk used in an email he sent to Twitter employees offering them severance packages in late 2022. Since then, Mr. Musk has promoted the offer on social media and called it "very generous."

Mr. Musk is also studying the workings of the G.S.A., which manages federal properties. During a visit to the agency last week, accompanied by his young son, whom Mr. Musk named "X Æ A-12," and a nanny, he spoke with the agency's new acting administrator, Stephen Ehikian.

After the meeting, officials discussed a plan to eliminate 50 percent of expenditures, according to people familiar with the discussions. And Mr. Ehikian told staff members in a separate meeting that he wanted them to apply a technique called "zero based budgeting," an approach that Mr. Musk deployed during his Twitter takeover and at his other companies. The idea is to reduce spending of a program or contract to zero, and then argue to restore any necessary dollars.

## **Inflicting Trauma**

Russell T. Vought, who served in Mr. Trump's first administration and is his choice again to lead the Office of Management and Budget, has spoken openly about the Trump team's plans for dismantling civil service.

"We want the bureaucrats to be traumatically affected," Mr. Vought said in a 2023 speech. "When they wake up in the morning, we want them to not want to go to work because they are increasingly viewed as the villains."

"We want the bureaucrats to be traumatically affected," Russell T. Vought, Mr. Trump's pick to lead the Office of Management and Budget, said in a 2023 speech. Tom Brenner for The New York Times

Mr. Musk, who pushed Mr. Vought for the budget office role, for which he is awaiting Senate confirmation, has echoed that rhetoric, portraying career civil servants and the agencies they work for as enemies.

U.S.A.I.D., which oversees civilian foreign aid, is "evil," Mr. Musk wrote in numerous posts on Sunday, while "career Treasury officials are breaking the law every hour of every day," he said in another post.

Mr. Musk used the same tactic during his 2022 takeover of Twitter, in which he depicted the company's previous management as malicious and many of its workers as inept and oppositional to his goals. In firing Twitter executives "for cause" and withholding their exit packages, Mr. Musk accused some of them of corruption and attacked them personally in public posts.

The tactics by Mr. Musk and his team have kept civil servants unbalanced, fearful of speaking out and uncertain of their futures and their livelihoods.

On Jan. 27, members of the team entered the headquarters and nearby annex of the aid agency in the Ronald Reagan Building in downtown Washington, U.S. officials said.

The team demanded and was granted access to the agency's financial and personnel systems, according to two U.S. officials with direct knowledge of the activity and the agency's inner workings. During this period, an acting administrator at the agency put about 60 senior officials on paid leave and issued stopwork orders that led to the firing of hundreds of contractors with full-time employment and health benefits.

People delivering food aid in U.S.A.I.D. bags in South Sudan. By Monday, the agency was effectively paralyzed. Jim Huylebroek for The New York Times

By Saturday, the agency's website vanished. And when the two top security directors tried to stop members of the team from entering a secure area that day to get classified files, they were placed on administrative leave.

Katie Miller, a member of the Musk initiative, said on X that "no classified material was accessed without proper security clearances."

By Monday, U.S.A.I.D. was effectively paralyzed. In a live broadcast on his social media platform early Monday, Mr. Musk said the president agreed "that we should shut it down."

## A Culture of Secrecy

Mr. Musk's team has prioritized secrecy, sharing little outside the roughly 40 people who, as of Inauguration Day, had been working as part of the effort. The billionaire has reposted messages accusing people of trying to "dox," or publish private information about, his aides when their names have been made public, claiming it is a "crime" to do so.

The opacity has added to the anxiety within the civil service. A number of the employees across the government said they had been interviewed by representatives of Mr. Musk who had declined to share their surnames. Mr. Musk's aides have declined to answer questions themselves, consistently describing the sessions as "one-way interviews."

Some workers who sat for interviews were asked what projects they were working on and who should be fired from the agency, people familiar with the conversations said.

"My impression was not one of support or genuine understanding but of suspicion, and questioning," one General Services Administration employee wrote in an internal Slack message to colleagues, describing the interview process.

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A protest outside the Office of Personnel Management headquarters on Sunday. Mr. Musk has quickly asserted his influence at the agency. Kent Nishimura/Reuters

Some of the young workers on Mr. Musk's team share a similar uniform: blazers worn over T-shirts. At the G.S.A., some staff members began calling the team "the Bobs," a reference to management consultant characters from the dark comedy movie "Office Space" who are responsible for layoffs.

Many of Mr. Musk's lieutenants are working on multiple projects at different agencies simultaneously, using different email addresses and showing up at different offices.

One example is Luke Farritor, a 23-year-old former SpaceX intern, who was among the workers given access to U.S.A.I.D. systems, according to people familiar with his role. He is also listed as an "executive engineer" in the office of the secretary of health and human services, and had an email account at the G.S.A., records show. Mr. Farritor did not respond to requests for comment.

Mr. Musk's aides, including Mr. Farritor, have requested access to Centers for Medicare and Medicaid Services systems that control contracts and the more than \$1 trillion in payments that go out annually, according to a document seen by The Times.

The team reports to a longtime Musk adviser, Steve Davis, who helped lead cost-cutting efforts at X and SpaceX, and has himself amassed extraordinary power across federal agencies.

In private conversations, Mr. Musk has told friends that he considers the ultimate metric for his success to be the number of dollars saved per day, and he is sorting ideas based on that ranking.

"The more I have gotten to know President Trump, the more I like him. Frankly, I love the guy," Mr. Musk said in a live audio conversation on X early Monday morning. "This is our shot. This is the best hand of cards we're ever going to have."

Reporting was contributed by Erica L. Green, Alan Rappeport, Andrew Duehren, Eric Lipton, Charlie Savage, Edward Wong, Sarah Kliff and Karoun Demirjian.

Mr. Musk, the world's richest man, is looking to put an ideological stamp on the bureaucracy and rid the system of those who he and the president deride as "the deep state." Haiyun Jiang for The New York Times

**Jonathan Swan** is a White House reporter covering the administration of Donald J. Trump. More about Jonathan Swan **Theodore Schleifer** is a Times reporter covering billionaires and their impact on the world. More about Theodore Schleifer

2/17/25, 7:08 PM

## **PROPUBLICA**

### **Trump Administration**

## The Elite Lawyers Working for Elon Musk's DOGE Include Former Supreme Court Clerks

Much attention has been paid to the young Silicon Valley engineers working for Musk's Department of Government Efficiency, but the group has also hired high-powered legal talent.



Elon Musk at the 2025 inauguration Pool/Getty Images

#### by Justin Elliott, Avi Asher-Schapiro and Andy Kroll

Feb. 7, 2025, 5:25 p.m. EST

ProPublica is a nonprofit newsroom that investigates abuses of power. Sign up to receive <u>our biggest stories</u> as soon as they're published.

As members of Elon Musk's Department of Government Efficiency have fanned out across the government in recent days, attention has focused on the young Silicon Valley engineers who are wielding immense power in the new administration.

But ProPublica has identified three lawyers with elite establishment credentials who have also joined the DOGE effort.

Two are former Supreme Court clerks — one clerked for Chief Justice John Roberts, another for Justice Neil Gorsuch — and the third has been selected to be a Gorsuch clerk for the 2025-2026 term.

Two of the lawyers' names have not been previously reported as working for DOGE.

All three — Keenan Kmiec, James Burnham and Jacob Altik — have DOGE email addresses at the Executive Office of the President, according to records reviewed by ProPublica. Altik was recently an attorney at the firm Weil, Gotshal & Manges, but <u>his bio page</u> is now offline. Neither the White House nor any of the three lawyers immediately responded to requests for comment about their roles.

Referring to DOGE work, the White House told ProPublica in a statement earlier this week that, "Those

leading this mission with Elon Musk are doing so in full compliance with federal law."

However, DOGE's aggressive actions across the government have already drawn lawsuits contending that the group has broken the law.

The legal challenges brought by several groups <u>could ultimately</u> <u>reach</u> the Supreme Court. This week, for example, more than a dozen Democratic attorneys general said they would sue to block DOGE's access to the Treasury Department's payment systems, and <u>federal employee unions sued</u> to challenge the DOGE-led dismantling of the U.S. Agency for International Development.

"What's striking is how contemptuous the administration seems to be of traditional administrative law limitations — in ways that might get them into trouble," said Noah Rosenblum, a law professor at New York University. "When this stuff goes to the courts, one important question is going to be: How well-lawyered was it?"

Trump formally created DOGE with an executive order on the first day of his administration. The order describes teams of at least four people — a leader, a lawyer, a human resources professional and an engineer — who would be detailed to government agencies. Exactly how DOGE is currently structured is not clear, nor are the specific assignments of each of the DOGE lawyers identified by ProPublica.

Trump has granted Musk, the world's richest man, vast powers to seize control of government agencies, their offices and staff. "He's a very talented guy from the standpoint of management and costs, and we put him in charge of seeing what he can do with certain groups and certain numbers," Trump said of Musk on Monday, adding that "Elon can't do and won't do anything without our approval."

The Trump administration has declined to provide information on who is working in Musk's DOGE group. More than two dozen members of the effort have been identified, and ProPublica is compiling them as part of an ongoing reporting project.

A bit more about the three DOGE lawyers most recently identified by ProPublica:

James Burnham, whose title at DOGE is listed internally as general counsel, is a prominent lawyer in conservative legal circles. In Trump's first term, <u>Burnham said</u> he was brought to the White House counsel's office by the office's top lawyer, Don McGahn. He said he worked on the administration's judicial selection process, including Gorsuch's appointment to the high

#### What We're Watching

During Donald Trump's second presidency, ProPublica will focus on the areas most in need of scrutiny. Here are some of the issues our reporters will be watching — and how to get in touch with them securely.



**Learn more about our reporting team.** We will continue to share our areas of interest as the news develops.

#### **Robert Faturechi**

I have been reporting on Trump Media, the parent company of Truth Social. I'm also reporting on the Trump administration's trade policies, including tariffs.

Signal WhatsApp Email

#### **Mark Olalde**

I'm interested in
Trump's and his allies'
promises to dismantle
the federal bureaucracy and laws
that protect the environment.

Email Signal

court. He went on to work in the Trump Justice Department and clerk for Gorsuch in 2020.

"He's a smart guy, and a very conservative lawyer," Ty Cobb, a lawyer in the first Trump White House, said of Burnham in an interview.

Burnham later launched a <u>boutique law firm</u> and a <u>litigation</u> <u>finance fund</u> that seeks to "ensure righteous lawsuits never falter for lack of financial resources," according to its website. Burnham was also helping DOGE with legal matters before Trump's inauguration, The New York Times <u>reported</u> in January.

Keenan Kmiec's career veered from elite law to, more recently, crypto. After clerking for then-Judge Samuel Alito on a federal circuit court, he clerked on the Supreme Court for Roberts in the 2006-2007 term, according to his LinkedIn. He did a stint at a corporate law firm and had his own firm focused on insider-trading litigation.

Kmiec appears to have become interested in crypto long before it went mainstream. A friend wrote an <u>essay published online</u> recalling meeting Kmiec at an Irish pub in Washington's Dupont Circle in the mid-2010s, where the men spoke about "the errors of central banks, the libertarian movement, and Bitcoin."

In 2021, Kmiec began working for a Swiss foundation that promotes a blockchain called Tezos, according to his LinkedIn. He then served for nine months as CEO of a <u>now-defunct startup</u> called InterPop, which described itself as "forging the future of digital fandom with comic, game, and collectible NFTs minted responsibly on the Tezos blockchain." A former staffer at InterPop described the company in an interview as a refinement of the Magic: The Gathering card game. But the former staffer added, "We ran out of money and the game failed."

There's little in the public domain about Kmiec's political views. In 2009, he wrote a <u>column for Politico</u> critiquing the widespread use of the term "judicial activism," which he called an ill-defined "empty epithet." The previous year, he gave \$500 to Barack Obama's campaign, according to federal election records. Kmiec's father, Douglas Kmiec, a former Reagan administration lawyer

and prominent conservative law professor, also <u>made headlines</u> for endorsing Obama. (Obama later named Douglas Kmiec ambassador to Malta.)

DOGE lawyer Jacob Altik is a 2021 graduate of the University of Michigan Law School. Altik was <u>selected</u> to clerk for Gorsuch at the Supreme Court in the term that starts this summer, according to an announcement by his law school that was confirmed by a Supreme Court spokesperson.

#### Sharon Lerner

I cover health and the environment and the agencies that govern them, including the Environmental Protection Agency.

Signal Email Phone

#### **Marvam Jameel**

I'm an engagement reporter interested in immigration, labor and the federal workforce.



Phone Signal Email



If you don't have a specific tip or story in mind, we could still use your help. Sign up to be a member of our **federal worker source network** to stay in touch.

We're trying something new Was it helpful?

Altik recently worked as a corporate litigation associate at Weil and previously clerked for D.C. Circuit Court of Appeals Judge Neomi Rao, a Trump appointee known for critiquing the administrative state. He also interned at a nonprofit called the New Civil Liberties Alliance, which has been at the forefront of legal efforts to rein in the power of federal agencies.

We've added these names — along with more than 20 others — to <u>ProPublica's ongoing project tracking</u> <u>DOGE members</u>.

We are still reporting. Do you have information about any of the people listed below? Do you know of any other Musk associates who have entered the federal government? You can reach our <u>tip line</u> on Signal at 917-512-0201. Please be as specific, detailed and clear as you can.

Kirsten Berg, Christopher Bing and Annie Waldman contributed reporting.

#### Justin Elliott f X W in

I am a ProPublica reporter covering business and politics.

**MORE STORIES HAVE A TIP FOR A STORY?** 



2/17/25, 7:08 PM

#### **Avi Asher-Schapiro**

Avi Asher-Schapiro is a Reporter at ProPublica.

**MORE STORIES** 

#### Andy Kroll f X ₩ 6 in

I cover justice and the rule of law, including the Justice Department, U.S. attorneys and the courts.

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Send me tips and documents about changes in administration policy, political interference, conflicts of interest and abuses of power inside the DOJ, OMB, the White House and other law enforcement agencies.



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## Elon Musk's Demolition Crew

by Avi Asher-Schapiro, Christopher Bing, Annie Waldman, Brett Murphy, Andy Kroll, Justin Elliott, Kirsten Berg, Sebastian Rotella, Alex Mierjeski, Pratheek Rebala and Al Shaw

Feb. 6, 2025 • Updated: Feb. 11, 2025

On President Donald Trump's authority alone, Elon Musk, the world's richest man, has been unleashed on federal agencies. Employees from Musk's companies and those of his allies, as well as young staffers he's recruited, are wresting authority from career workers and commandeering computer systems.

While some have been public about their involvement, others have attempted to keep their roles secret, scrubbing LinkedIn pages and other sources of data. With little information from the White House, ProPublica is attempting to document who is involved and what they are doing.

Musk's team, known as the Department of Government Efficiency, has already thrown entire swaths of the federal government and its programs into disarray — programs that serve millions of Americans.

Musk himself has made no secret of his intentions, saying that DOGE is a "wood chipper for bureaucracy" and that he is "deleting" agencies.

A White House spokesperson wrote, "Those leading this mission with Elon Musk are doing so in full compliance with federal law, appropriate security clearances, and as employees of the relevant agencies, not as outside advisors or entities." None of the people identified responded to requests for comment.

We are still reporting. Do you have information about any of the people listed below? Do you know of any other Musk associates who have entered the federal government? You can reach <u>our tip line</u> on Signal at <u>917-512-0201</u>. Please be as specific, detailed and clear as you can.

Sort by

Most recently added

Alphabetical



# Jennifer Balajadia, 36

Connected to: Executive Office of the President

Musk link: Worked at The Boring Company

Balajadia, who also goes by "Jehn," is an official member of the DOGE team, according to federal records viewed by ProPublica. She <u>worked</u> as an operations coordinator at The Boring Company for seven years, according to her LinkedIn page. Recent media reports have <u>described</u> her as Musk's assistant and close <u>confidant</u>, traveling with him and assisting with scheduling and daily tasks.

Added Feb. 11, 2025



# Alexandra T. Beynon, 36

Connected to: Executive Office of the President

Beynon is an official member of the DOGE team, according to federal records viewed by ProPublica and media reports. According to her LinkedIn page, she most recently worked as the head of engineering at her husband's startup, Mindbloom, which provides "guided at-home ketamine therapy." She previously worked as a software developer at investment banking company Goldman Sachs. When reached by ProPublica and asked about her involvement in the new administration and DOGE, she said, "I have no idea what you are talking about." She did not respond to additional requests for comment.

Added Feb. 11, 2025

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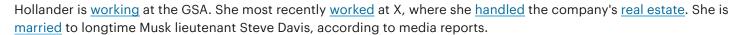
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Nicole Hollander, 42



Musk link: Worked at X



Added Feb. 11, 2025



### Kendall M. Lindemann, 24

Connected to: Executive Office of the President



Added Feb. 11, 2025



### Adam Ramada, 35

Connected to: Executive Office of the President

Musk link: Previously part of an investment firm with links to a SpaceX alumnus



Added Feb. 11, 2025



# Ryan Riedel, 37

Chief Information Officer

Connected to: Department of Energy

Musk link: Worked as SpaceX network security engineer

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Riedel emerged in early February as the new chief information officer at the Department of Energy. His position was confirmed in a LinkedIn post by the former CIO, Ann Dunkin, who wrote, "Handing the keys over to you, virtually." Riedel, who now lists himself online as the department's CIO, has worked at SpaceX since 2020. He previously served in the U.S.

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Army Cyber Command.

Added Feb. 11, 2025



Kyle Schutt, 37
Connected to: General Services Administration



Schutt is a DOGE software engineer working at the GSA. He was previously the chief technology officer at Revv, an online fundraising platform that's a frequent vendor for the Republican Party. According to his recently deleted LinkedIn profile, Schutt led the development and launch of WinRed, the GOP's major online fundraising platform, which <a href="helped">helped</a> raise \$1.8 billion for Republicans in the 2024 election cycle.

Added Feb. 11, 2025



# Ethan Shaotran, 22



Connected to: General Services Administration

Musk link: Participated in a hackathon organized by Musk's artificial intelligence company xAI

Shaotran is part of the DOGE team. He recently attended Harvard University and studied computer science. He founded Spark, a scheduling assistant startup, for which he said he <u>received</u> a \$100,000 grant from OpenAl. He was a member of a team that was a <u>finalist</u> in a hackathon organized by xAl, Musk's artificial intelligence company. Shaotran's name first came to light in an <u>article</u> by Wired magazine about a group of young software engineers recruited by Musk to analyze internal government data and technology programs.

Added Feb. 11, 2025



### Jordan M. Wick, 28



Connected to: Executive Office of the President

Wick is an official member of the DOGE team, according to federal records viewed by ProPublica. According to his personal website, which has recently been taken offline, he graduated from the Massachusetts Institute of Technology and recently worked at autonomous car company Waymo as a software engineer. Before joining the government, Wick was <u>listed</u> as the co-founder of an e-commerce startup named Intercept, which is affiliated with the California-based tech incubator Y Combinator. The incubator has featured speaker events with Musk and other AI leaders.

Added Feb. 11, 2025



Jacob Altik, 32

Lawyer

Connected to: Executive Office of the President



Altik is a 2021 graduate of the University of Michigan Law School. He clerked for D.C. Circuit Court of Appeals Judge Neomi Rao, a Trump appointee known for critiquing the administrative state. For the last year and a half, he worked as a corporate litigation associate at Weil, where he co-authored a detailed legal analysis on administrative law jurisprudence at the Supreme Court. Last year, he was selected to begin a clerkship for Supreme Court Justice Neil Gorsuch in the 2025 term, which is set to begin this summer.

Added Feb. 7, 2025



James Burnham, 41

General Counsel

Connected to: Executive Office of the President



Burnham is a former litigation partner at Jones Day and a high-ranking Justice Department and White House official from the first Trump administration. The New York Times <u>first reported</u> his involvement with DOGE as a lawyer in January. His title at DOGE is listed internally as general counsel, according to records reviewed by ProPublica. Burnham previously served as a clerk to Supreme Court Justice Neil Gorsuch. On <u>a website</u> for one of his past companies, Burnham is described as having played a "central role" in the selection and confirmation processes for Gorsuch, Justice Brett Kavanaugh and then-Judge Amy Coney Barrett.

Added Feb. 7, 2025



Keenan D. Kmiec, 45

Lawyer

Connected to: Executive Office of the President



Keenan Kmiec's career veered from elite law to, more recently, crypto. After clerking for then-Judge Samuel Alito on a federal circuit court, he clerked on the Supreme Court for Chief Justice John Roberts in the 2006-2007 term, according to his LinkedIn. He did a stint at a corporate law firm and had his own firm focused on insider-trading litigation. In 2021, Kmiec began working for a Swiss foundation that promotes a blockchain called Tezos, according to his LinkedIn. He then served for nine months as CEO of a now-defunct startup called InterPop, which described itself as "forging the future of digital fandom with comic, game, and collectible NFTs minted responsibly on the Tezos blockchain."

Added Feb. 7, 2025



# **Anthony Armstrong**, 57

Senior Adviser to the Director

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Connected to: Office of Personnel Management

Musk link: Worked on Musk's purchase of Twitter



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Armstrong is a technology banker at Morgan Stanley who worked on Musk's \$44 billion acquisition of Twitter — since rebranded as X — in 2022. He has been given an influential role at OPM, which handles personnel issues across the federal government. Since Trump took office, OPM has spearheaded the new administration's efforts to dramatically reduce the federal workforce and roll back telework and remote work policies.

Added Feb. 6, 2025



# Riccardo Biasini, 39

Senior Adviser to the Director

Connected to: Office of Personnel Management

Musk link: Former engineer at Tesla, executive at the Boring Company

Biasini is an engineer and former executive who has worked at two of Musk's companies, the Boring Company and Tesla. He has also taken a high-ranking role at OPM. Biasini was listed as the contact person for the government-wide email system put in place by the Trump administration and used to send messages directly from OPM to millions of federal workers across the government, according to a recent court filing.

Added Feb. 6, 2025



Brian Bjelde, 44

Senior Adviser

Connected to: Office of Personnel Management

Musk link: Vice president of people operations at SpaceX

Bjelde is a longtime SpaceX employee who's spent more than 20 years at the company, according to his LinkedIn profile, where he's had a variety of jobs, including as managing director of the "food services group." He previously worked for NASA's Jet Propulsion Laboratory. He's been referred to in press reports as a "top DOGE Lieutenant," working at OPM to slash head count. CNN previously revealed that Bjelde had informed OPM staff of a plan to cut 70% of the agency's workforce. The New York Times reported that Bjelde helped Musk cut staff at Twitter following its takeover.

Added Feb. 6, 2025



### Akash Bobba, 21

Senior Adviser to the Director

Connected to: Office of Personnel Management



Bobba was named by Wired magazine as part of a team of six young engineers picked by Musk for his DOGE team. A recent graduate of the University of California, Berkeley, Bobba worked as an intern at Meta, the social media company, and at Palantir, the software and data analytics firm that is a major defense contractor. Bobba is listed in personnel records as an "expert" at OPM, where he has reportedly been able to access internal databases. He graduated from high school in 2021; in his graduation speech, featured in the Spotlight New Jersey newspaper, he told his fellow graduates that, in life, the "answers we deserve demand discomfort."

Added Feb. 6, 2025



# Nate Cavanaugh, 28

Connected to: General Services Administration



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Cavanaugh is an entrepreneur who has founded companies focused on intellectual property management and small-business finance. He has been interviewing staffers at the GSA as part of the DOGE team, according to those who have spoken with him. GSA procures technology tools, real estate, and other services for federal government agencies. In published interviews, Cavanaugh has expressed an admiration for tech luminaries, including Peter Thiel, Elon Musk, and Mark Zuckerberg, and has said he is "very interested in crypto."

Added Feb. 6, 2025

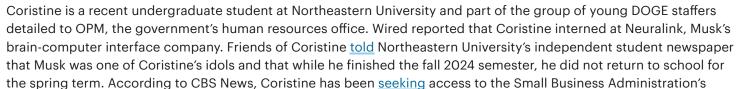


# **Edward Coristine**, 19

Expert

Connected to: Office of Personnel Management

Musk link: Interned at Neuralink



internal records on behalf of DOGE.

Added Feb. 6, 2025

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Steve Davis, 45

Connected to: Executive Office of the President

Musk link: Longtime Musk lieutenant, CEO of the Boring Company



Added Feb. 6, 2025



Marko Elez. 25

Connected to: Treasury Department

Musk link: Worked as an engineer at X and SpaceX

Elez works at the Treasury Department, a staffer at the office of the Secretary of Treasury confirmed in a call with a ProPublica reporter. Wired reported Feb. 4 that Elez, who graduated from Rutgers in 2021 and studied computer science, has gained access to the highly sensitive payment systems of the U.S. Treasury Department. According to Elez's LinkedIn bio, which was recently deleted, he was most recently an engineer at X in New York for roughly a year and an engineer at SpaceX in the Los Angeles area for around three years before that. Elez reportedly resigned Feb. 6 after The Wall Street Journal reported that he has links to a social media account that posted racist comments online. Musk said publicly he planned to rehire the engineer, saying that "to err is human, to forgive divine."

Added Feb. 6, 2025



# Luke Farritor, 23

Executive Engineer in the Office of the Secretary

Connected to: Department of Health and Human Services

Musk link: Former SpaceX intern

Farritor works as an executive engineer at the HHS, according to agency data. He studied <u>computer science</u> at the University of Nebraska-Lincoln and interned at SpaceX, working on its Starlink Wi-Fi team and Starship launchpad software, according to <u>his Linkedin</u> profile. In March 2024, he received a Thiel <u>fellowship</u>, a two-year program founded by billionaire tech entrepreneur Peter Thiel that awards a \$100,000 startup grant to students who drop out of college.

Added Feb. 6, 2025

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# Stephanie Holmes, 43



**Human Resources** 

Connected to: Executive Office of the President

Holmes is running human resources at DOGE, according to government workers who have been in meetings with her. A former lawyer with Jones Day, a firm that frequently represents Trump, she was previously the chief people officer at Oklo, a nuclear energy company chaired by OpenAl CEO Sam Altman. She also ran her own HR consulting firm, BrighterSideHR, which advised companies to pursue "non-woke" approaches to diversity and inclusion in the workplace.

Added Feb. 6, 2025



### Gautier "Cole" Killian, 24



Federal Detailee

Connected to: Environmental Protection Agency

Killian works at the EPA, according to agency data. His position is a federal detail, which typically allows government employees to transfer between agencies for temporary roles. He studied math and computer science at McGill University, where he <u>conducted</u> blockchain-related research. He recently worked as an engineer at Jump Trading, an algorithmic financial trading company, and is a member of the DOGE team, according to recent media <u>reports</u>.

Added Feb. 6, 2025



# **Gavin Kliger**, 25



Senior Adviser to the Director

Connected to: U.S. Agency for International Development, Office of Personnel Management

Kliger is a senior adviser at OPM, according to his LinkedIn profile. He spent nearly five years as a software engineer at Databricks, a cloud-based AI company. He is widely reported to be part of Musk's DOGE team. On his personal Substack, he wrote an essay titled "Why I gave up a seven-figure salary to save America," according to press reports, and described failed U.S. attorney general nominee Matt Gaetz, who withdrew from Congress amid allegations of sexual misconduct, as a "victim" of the deep state. On Feb. 3, workers at USAID received an email announcing that their Washington offices would be closed that day. Replies to the email were directed to Kliger at a USAID email address.

Added Feb. 6, 2025



Tom Krause, 47
Expert



**Connected to:** Treasury Department

Krause is a part of DOGE's efforts to gain access to sensitive federal payment systems as part of Musk's larger effort to root out spending perceived as wasteful. According to the <u>Treasury Department</u>, Krause leads a team of people who have been granted "read-only" access to the code for the agency's Fiscal Service payment system, which processes payments for major programs such as Social Security and Medicare. The department has clarified he is designated as a "special government employee." The New York Times reported that Krause is affiliated with Musk's DOGE team.

Added Feb. 6, 2025



Katie Miller, 33



Spokesperson

Connected to: Executive Office of the President

In December, during the transition, Trump named Miller, who served in the first administration as a press secretary to Vice President Mike Pence, as one of the first members of DOGE. She is the wife of White House deputy chief of staff Stephen Miller. After reports that DOGE personnel accessed internal USAID data, Katie Miller defended the group, saying that "no classified material was accessed without proper security clearances."

Added Feb. 6, 2025



Justin Monroe, 36



Adviser

Connected to: FBI

Musk link: Senior director for security at SpaceX

Monroe is working as an adviser within the office of the director of the FBI, according to three people familiar with the matter. NBC News previously reported that an unnamed SpaceX employee has been placed in the FBI director's office but said it could not confirm the individual's identity. Monroe is a seasoned information security professional who previously served in the U.S. Navy as an <u>information warfare officer</u>.

Added Feb. 6, 2025

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# Nikhil Rajpal, 30





Musk link: Former Twitter employee

Rajpal is listed as an "expert" now working for OPM. An archived version of his personal website from 2018 lists his job title as an engineer at Twitter. Rajpal has extensive access to sensitive personnel data used by OPM, according to a source familiar with his role. Wired reported Feb. 5 that Rajpal also sought and was later granted access to data at the National Oceanic and Atmospheric Administration. Wired magazine reported that he is part of the DOGE team.

Added Feb. 6, 2025



# Rachel Riley, 33

Senior Adviser in the Office of the Secretary

Connected to: Department of Health and Human Services



Added Feb. 6, 2025



# Michael Russo, 67

Chief Information Officer

Connected to: Social Security Administration

Musk link: Former chief technology officer of Starlink payment processor Shift4 Payments

Russo is a top-ranking technology official at the SSA, which disburses over \$1.5 trillion in benefits annually. Russo spent over seven years as an executive and senior adviser with Shift4 Payments, a payment processing company that is both an <u>investor</u> in SpaceX and a payment processor for StarLink, according to <u>his Linkedin</u>. The CEO of Shift4 Payments, Jared Isaacman, has been nominated by Trump to lead NASA and is a friend of Musk's who has purchased multiple spacewalks with Musk's SpaceX company. Russo's office will oversee the SSA's over \$2 billion IT budget.

Added Feb. 6, 2025



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Amanda Scales, 34

Chief of Staff

Connected to: Office of Personnel Management

Musk link: Previous employee of xAI

Scales' name came to light in the first week of the Trump administration as federal employees received a memo putting them on notice that diversity, equity, inclusion and accessibility initiatives in the federal government were now barred through an executive order — and to report efforts to conceal them. The message listed Scales as the point of contact for questions. Scales worked in the human resources department at xAI, Musk's artificial intelligence company, prior to OPM. Before that, she worked in recruiting at ridesharing company Uber. She is reportedly an integral part of OPM's sweeping efforts to restructure the federal workforce.

Added Feb. 6, 2025



# Thomas Shedd, 28

Federal Acquisition Service Deputy Commissioner and Director of Technology Transformation Services

Connected to: General Services Administration

Musk link: Software engineer at Tesla

Shedd's work at Tesla focused on building software that operates vehicle and battery factories, according to a GSA <u>press release</u>. The office Shedd runs, known as TTS, helps federal agencies improve their tech practices. GSA leaders have told employees they plan to cut 50% of the budget. Shedd has told colleagues he plans to run TTS like a "startup software company," according to <u>Wired magazine</u>, which will <u>reportedly</u> involve the use of artificial intelligence to analyze government contracts.

Added Feb. 6, 2025



# Brad Smith, 42

Connected to: Executive Office of the President

Smith was among the earliest names associated with DOGE outside of its founder. The New York Times reported he was helping lead the group. He served in a series of health-related policy roles during the first Trump administration, including being part of the board of Operation Warp Speed, the historic COVID-19 vaccine development program. According to The New York Times, which first reported Smith's involvement in DOGE, he is a friend of Jared Kushner, Trump's son-in-law.

Added Feb. 6, 2025

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# **Christopher Stanley**, 33



Connected to: Executive Office of the President

**Musk link:** Senior director for security engineering at X and principal engineer at SpaceX

Stanley is an experienced information security professional who has worked at multiple Musk-related companies. He is reportedly an aide to Musk at DOGE, according to <a href="The New York Times">The New York Times</a>, and has a role at the White House. He was part of the initial transition team after Musk purchased Twitter in 2022, according to his LinkedIn <a href="profile">profile</a>. On inauguration day, Stanley assisted in the release of individuals associated with the Jan. 6 riots, he <a href="wrote">wrote</a> on X.

Added Feb. 6, 2025

We are still reporting. Do you have information about any of the people listed above? Do you know of any other Musk associates who have entered the federal government? You can reach <u>our tip line</u> on Signal at <u>917-512-0201</u>. Please be as specific, detailed and clear as you can.

Lead image: Photo illustration by Alex Bandoni/ProPublica. Source images: Kent Nishimura/Bloomberg, Boris Zhitkov, Rudy Sulgan, Sergio Flores and Smith Collection/Gado/Getty Images.

Headshots: Altik via his previous bio page at Weil, Gotshal and Manges; Balajadia via Patrick T. Fallon/Bloomberg/Getty Images; Beynon via Linkedin profile; Biasini via Silicon Valley Study Tour; Bjelde via LinkedIn profile; Burnham via King Street Legal, a previous firm; Cavanaugh via LinkedIn profile; Coristine via Instagram profile; Davis via Adam S. Davis/Shutterstock; Elez via Github profile; Farritor via video screenshot from the University of Nebraska; Hollander via ULI Learning; Killian via McGill Artificial Intelligence Society; Kliger via his personal website; Kmiec via Justia Lawyers bio page; Krause via LinkedIn profile; Lindemann via Linkedin profile; Miller via Paul Morigi/Stringer/Getty Images; Monroe via LinkedIn profile; Riley via LinkedIn profile; Russo via LinkedIn profile; Scales via Human Capitol, a previous employer; Shedd via Instagram profile; Shaotran via Harvard University; Shutt via Github profile; Stanley via LinkedIn profile.

# 19-year-old Musk surrogate takes on roles at State Department and DHS

The move illustrates that Elon Musk's U.S. DOGE Service aides are being asked to fulfill multiple posts at once.

Updated February 10, 2025

By Faiz Siddiqui, John Hudson and Isaac Stanley-Becker

A 19-year-old acolyte of Elon Musk known online as "Big Balls" has taken on new roles as a senior adviser at the State Department and at the Department of Homeland Security, raising concerns among some diplomats and others about his potential access to sensitive information and the growing reach of his tech billionaire boss into America's diplomatic apparatus, said U.S. officials familiar with the matter who spoke on the condition of anonymity to discuss a sensitive issue.

Edward Coristine, who <u>briefly worked</u> for Musk's brain chip start-up Neuralink, was recently posted to the State Department's Bureau of Diplomatic Technology, a critical hub for data both sensitive and nonsensitive, officials said. Coristine, who also holds positions at the U.S. DOGE Service and the Office of Personnel Management, has attracted significant attention across Washington for his edgy online persona and the relative lack of experience he brings to his new federal roles.

But his new position — and similar roles at DHS and other agencies — could give him visibility into far more than just tech.

Some U.S. officials expressed alarm about Coristine's new perch at the bureau, which serves as the IT department for Washington's diplomatic apparatus. All of the department's IT and data management functions were centralized at the bureau during an overhaul before President Donald Trump returned to office, making it a treasure trove of information.

"This is dangerous," said one of the U.S. officials, noting Coristine's age and a <u>report by Bloomberg News</u> that he was fired for leaking a data security firm's information to a competitor.

A State Department official said Coristine's position probably would not be confined to the Bureau of Diplomatic Technology.

The unusual appointment reflects how Musk's DOGE has deployed some of its personnel to multiple agencies at once, giving young and relatively inexperienced — and largely unvetted — individuals unprecedented visibility into the workings of government. Musk prioritized the hiring of software engineers for the initiative, which aims to cut \$1 trillion in federal spending as it works out of the office of the former U.S. Digital Service, which has been renamed the U.S. DOGE Service (the initials stand for Department of Government Efficiency).

Nowhere have the group's tactics <u>played out</u> more visibly than at the Treasury Department, where 25-year-old DOGE staffer Marko Elez was posted before leaving the administration last week after the Wall Street Journal <u>surfaced racist online posts</u>. Musk, with the support of Trump and Vice President JD Vance, <u>vowed to bring Elez back</u>. When they arrived at the agency as DOGE representatives, Elez and Silicon Valley executive Tom Krause were at the center of a dispute over whether DOGE should have access to a sensitive Treasury payments system; Krause now formally oversees that system as an assistant treasury secretary.

Elsewhere, DOGE staff members have been assigned to the Office of Personnel Management and the General Services Administration, both of which are carrying out work related to key focuses of Musk's: reducing the federal workforce, shrinking the government's real estate footprint and modernizing its outdated technology.

In federal directories, DOGE staffers are sometimes listed at multiple different agencies, making the full nature of their roles within the government unclear.

A directory also lists Coristine as having a position at the U.S. Agency for International Development, the world's largest provider of food assistance, which Musk has <u>boasted of destroying</u> and which the Trump administration plans to drastically downsize from 10,000 employees to roughly 600. Coristine's job at USAID is listed in the Bureau for Management in the chief information officer's office.

Many diplomats looked with trepidation at the hollowing out of USAID, hoping the State Department would be spared a similar fate, given its status as the federal government's first executive department, established in 1789. But the emergence of DOGE personnel in the halls of Foggy Bottom has heightened fears.

Coristine is also a senior adviser at both the Department of Homeland Security and FEMA, which is part of DHS, according to screenshots of an online DHS directory obtained by The Washington Post. He has email addresses associated with both entities, the screenshots show.

A DHS official said DOGE's apparent inroads into the agency "may have significant national security implications," given DHS's mandate over border security, disaster response and counterterrorism, among other areas.

"They're basically touching and breaking things without knowing what they are," the official added, speaking on the condition of anonymity to discuss a sensitive topic.

While Coristine's role at the State Department remains unclear, officials noted that his position at the technology bureau could give him a foothold for obtaining unauthorized access to classified material and to compromising information on other countries and foreign activities.

In addition to Coristine, a 23-year-old colleague of his, former SpaceX intern Luke Farritor, is also listed in the State Department's directory as working at the Bureau of Diplomatic Technology.

Coristine and Farritor are <u>among a group</u> of six engineers 25 or younger whom The Post has identified as working on behalf of DOGE.

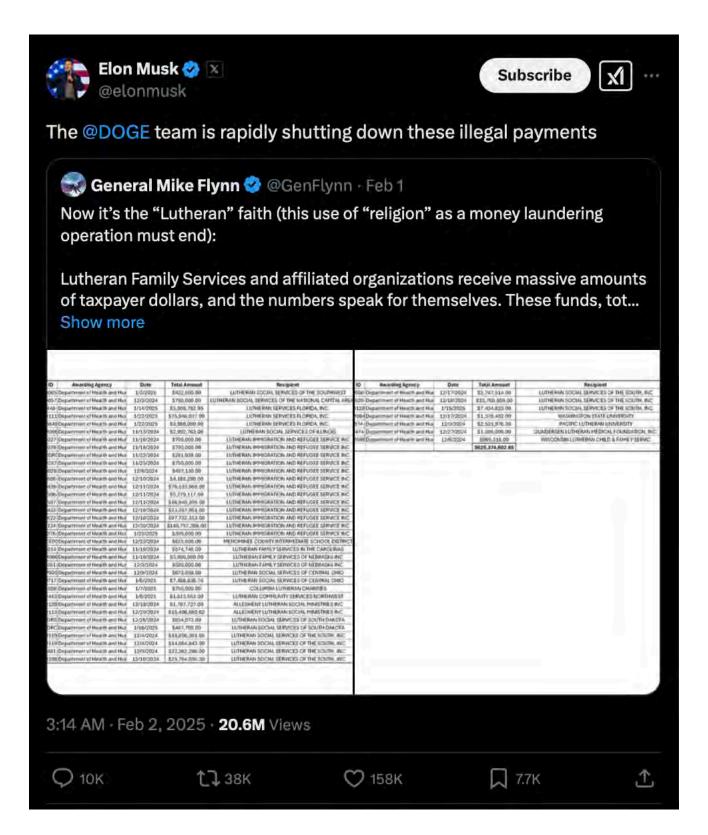
Katie Miller, a spokeswoman for DOGE, did not immediately respond to a request for comment, nor did the State Department or Coristine or Farritor.

Another person who knows one of the DOGE engineers personally, speaking on the condition of anonymity to protect that relationship, said that while the engineers' technical ability is not in question, the amount of power the DOGE team has amassed in a short span is a concern.

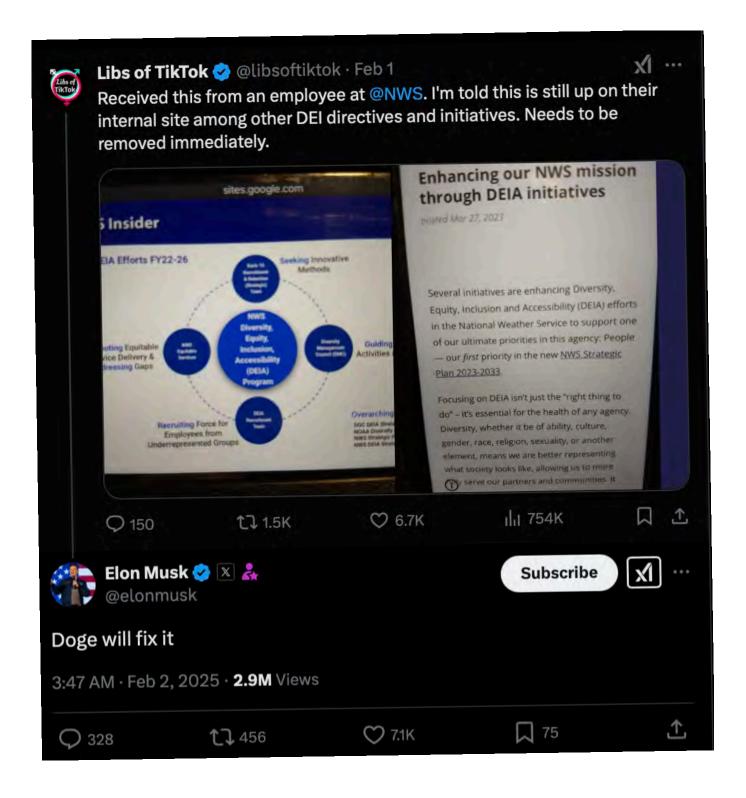
"It's not like they have a history of informed political opinion," the person said. "They're just in it for solving hard problems: It's like, 'Oh, a big challenge, it's a big puzzle.' I'm sure he just grew up solving puzzles and doing hard problems, and this is just another one and also has the perk of being around the president and billionaires.

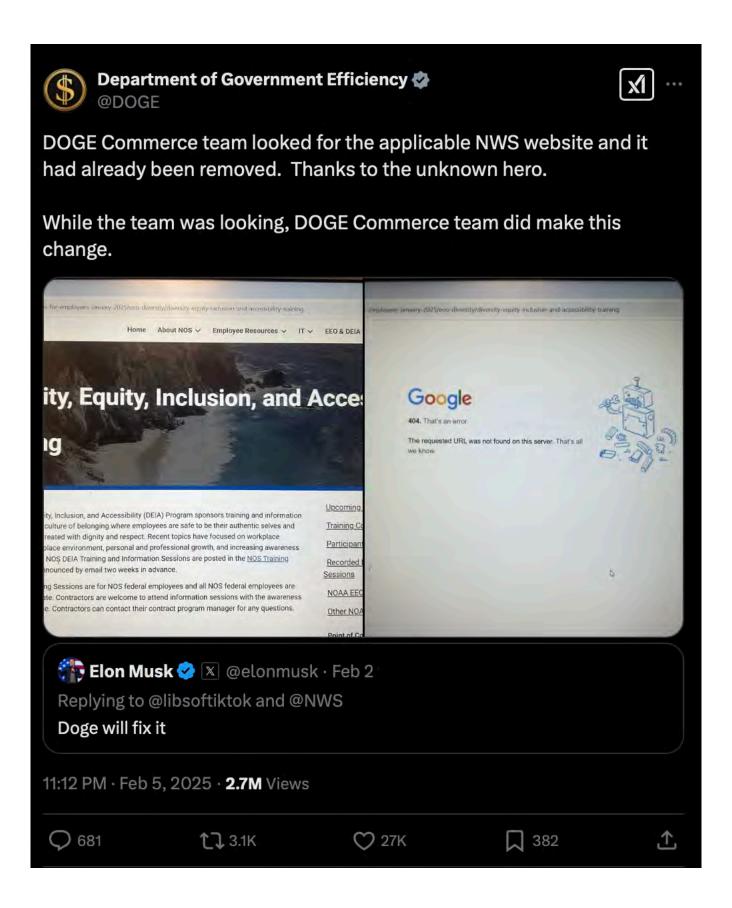
"That is such a narrow view of the world," the person said of the engineer's tech background. "It's not at all appropriate, I don't think, for something with such a broad impact."





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### Inside DOGE's takeover of the Education Department

Staffers at the Department of Education worry the Department of Government Efficiency is accessing sensitive information and spreading confusion.

House Democrats denied entry to the Department of Education



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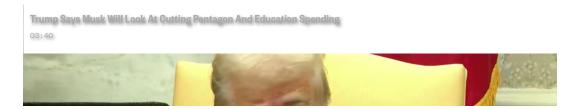
Feb. 8, 2025, 6:00 AM EST

### By Tyler Kingkade and Natasha Korecki

Members of Elon Musk's Department of Government Efficiency team have obtained "administrator" email accounts at the Department of Education, just as President Donald Trump announced that the billionaire will soon be examining the agency closely.

The rapid deployment of Musk's aides across multiple agencies has raised concern from federal officials, lawmakers and watchdog groups that his team has gained access to sensitive information and is leading a purge of government workers.

When NBC News asked Trump at a White House press conference Friday about allegations that Musk and DOGE's widespread staff cuts might be unlawful, Trump defended the approach, noting that the Education Department was high on Musk's list of targets. "He will be looking at education pretty quickly," Trump said.



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Document 25-1

NBC News verified that Akash Bobba and Ethan Shaotran, both 22 years old and identified as members of DOGE, have administrator-level status in the department's email system, allowing them to potentially access sensitive information. Two sources currently employed at the department also said that Shaotran had accessed the back end of the ed.gov website on Friday.

Three employees of the department emphasized it is highly unusual for anyone from another government agency to get ed.gov emails. The Department of Education did not respond to requests for comment on Friday.

Tension is high at the Education Department, where leadership announced earlier this week that staff who take the deferred resignation package offered to much of the federal workforce would waive their right to sue if the government fails to uphold the offer. The employee union urged them not to take the deal, worried that it's "eerily similar to the situation at Twitter" during Musk's takeover, in which employees did not get the severance they expected.

One longtime employee at the Department of Education who spoke on the condition of anonymity to describe internal sentiments said there is an urgent and deep worry sweeping across the agency's career staff as DOGE sets its sights on them.



President Trump has announced plans to shrink - or potentially dismantle - the U.S. Department of Education. Alex Wong / Getty Images

The person said they were especially concerned that Musk and his team would use information from the national student loan database to target Americans, push career employees out and hamper the federal government's ability to collect on federal loans.

The New York Times reported that as many as 16 DOGE team members are now listed in the Education Department directory, and according to The Washington Post, they have fed sensitive personal and financial data from the department into artificial intelligence software.

On Friday morning, a group of House Democrats attempted to enter the Education Department headquarters to meet with acting Education Secretary Denise Carter after 95 signed a letter expressing concern about the administration's plans to possibly try to close the department. The representatives were stopped by security and denied entry, sparking a chaotic scene as lawmakers clamored to get in.

"They are blocking members of Congress from entering the Department of Education! Elon is allowed in and not the people? ILLEGAL," Rep. Maxwell Frost, D-Fla., posted on X, formerly known as Twitter.

Also on Friday, the watchdog group Public Citizen sued the department on behalf of the University of California Student Association, a group of student government representatives, seeking an injunction to block DOGE staff from accessing "sensitive personal and financial information." The suit cites reporting that DOGE-affiliated individuals accessed the department's internal systems containing federal student aid information.

"The scale of the intrusion into individuals' privacy is enormous and unprecedented," the suit states.

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"The personal data of over 42 million people lives in these systems."

Adding to the bedlam this week, a new memo that went out across the department called for a sweeping review of all grants that "promote or take part in diversity, equity, and inclusion" initiatives. The goal, it states, is rooting out "discriminatory practices – including in the form of DEI – that are either contrary to law or to the Department's policy objectives," according to the memo obtained by NBC News.

Document 25-1

It isn't unusual for a new administration to set priorities with how the billions of dollars in grants are doled out. What is unusual, and could bring a torrent of legal challenges, is the potential to reopen grants that were already awarded, said a former senior education official. Aside from legal repercussions, the official said that suddenly canceling grants could cause great disruption to communities that are relying on the money for resources like more teachers and tutors. Long-standing federal grants have also funded magnet schools, if the schools demonstrate that they have a desegregation plan in place.

Now, officials at the department say they are still unclear on how the administration is interpreting DEI – whether it includes services for students with disabilities, for instance, or those learning English as a second language.

"I don't know how you eliminate DEI without attacking the special needs programs," a current administration official said.

Madison Biedermann, an Education Department spokeswoman, said the review is to ensure grant programs are in compliance with civil rights laws, "i.e., that they are not supporting discriminatory practices on the basis of race, national origin, or other protected characteristics."

"The Department manages important grant programs that Congress has established to support schools that serve specific populations, and will be careful in the review to ensure that these grants are both in line with Administration priorities while serving the specific populations," Biedermann said.

The rapid clip of changes has outpaced the confirmation process for department leadership.

Linda McMahon, Trump's nominee for education secretary, is scheduled to appear in a confirmation hearing before the Senate Health, Education, Labor and Pensions committee on Feb. 13. McMahon, the former CEO of World Wrestling Entertainment, is currently chairperson of the America First Policy Institute, a 4-year-old Trump-aligned think tank. Four of the top officials already appointed at the Education Department worked for the think tank.

One current Department of Education official, a military veteran, described a scene of confusion and demoralization as Trump and Musk portray federal workers as lazy. Others are digging in their heels because they feel as if they're being bullied.

"There are people who are panicking. There are people who are eligible for retirement and still say, 'I'm not going anywhere. I'm not going to voluntarily give in to the pressure and the intimidation.' That's all this really is."

Since Trump's inauguration, the department has already demonstrated a notable shift in priorities.

Earlier this week, it announced plans to launch Title IX investigations into two universities and one athletic association for violating the administration's executive order banning transgender women's participation in sports, and opened an inquiry into Denver Public Schools for changing a single girl's bathroom into a gender-neutral one. The department said that it would revert to enforcing the Title IX regulation imposed during the first Trump administration, rather than the Biden-era rules. And it canceled 11 investigations into school districts over book bans - opened due to complaints that the schools targeted titles by LGBTQ authors and people of color - and called the complaints a "hoax."

Department staff also received a directive this week to ensure their email signature blocks do not include "extraneous information, including gender identifying pronouns, motivational quotes, and GIFs." The email was marked "high importance."

Tyler Kingkade	
Tyler Kingkade is a national reporter for NBC News, based in Los Angeles.	
Natasha Korecki	
Natasha Korecki is a senior national political reporter for NBC News.	
Yamiche Alcindor and Garrett Haake contributed.	





### **EDUCATION**

# **DOGE announces \$881 million in cuts for Education Department contracts**

About 170 contracts for the Institute of Education Sciences were targeted.



The Education Department also terminated 29 training grants for diversity, equity and inclusion that total \$101 million, according to an announcement from the Department of Government Efficiency. | Kayla Bartkowski/Getty Images

By REBECCA CARBALLO and JUAN PEREZ JR.

02/10/2025 09:04 PM EST

Updated: 02/10/2025 09:56 PM EST









Education Department funds for diversity programs and research initiatives will dry up, according to a series of announcements Monday night about the agency's future.

The department terminated 89 contracts, worth \$881 million, according to an X post from the Department of Government Efficiency, but DOGE did not say which contracts were ended. In a separate post, DOGE said the department also terminated 29 training grants for diversity, equity and inclusion that total \$101 million. One of the grants sought to train teachers to "help students understand / interrogate the complex histories involved in oppression, and help students recognize areas of privilege and power on an individual and collective basis," according to the post.



The Trump administration is halting about 170 contracts for the Education Department's Institute of Education Sciences, according to two people familiar DOGE announces \$881 million in cuts for Education Department contracts - POLITICO Case 8.25-cV-00462-1DC Document 25-1 Filed 02/20/25 Page 101 of 397

with the decisions.

The cuts comes as the president is expected to issue an executive order this month to wind down the department, and Education Secretary nominee Linda McMahon gets ready to testify before Congress on Thursday.

The American Institutes for Research, a nonprofit organization that conducts behavioral and social science research, confirmed it received multiple notices of terminations on Monday for several IES contracts. IES is a nonpartisan research arm of the department that studies special education and student learning outcomes, among other topics.

"The money that has been invested in research, data, and evaluations that are nearing completion is now getting the taxpayers no return on their investment," Dana Tofig, an AIR spokesperson, said in a statement Monday. "If the point of this exercise is to make sure taxpayer dollars are not wasted and are used well, the evaluation and data work that has been terminated is exactly the work that determines which programs are effective uses of federal dollars, and which are not."

The department and DOGE did not immediately respond to requests for comment.

FILED UNDER: RESEARCH, DEPARTMENT OF EDUCATION, DOGE

FORBES > BUSINESS

### **BREAKING**

# Trump Lawyer Downplays Elon Musk's Authority In Court Hearing —Here's What To Know About DOGE

Molly Bohannon Forbes Staff

Molly Bohannon has been a Forbes news reporter since 2023.

Derek Saul Forbes Staff

Derek Saul has covered markets for the Forbes news team since 2021.







Feb 17, 2025, 12:34pm EST

**TOPLINE** A Trump administration lawyer claimed Monday billionaire Elon Musk isn't exercising any "authority" over the federal government, after 14 states sued Musk's Department of Government Efficiency, or DOGE, arguing the alleged "unlawful delegation of executive power" to Musk has "caused widespread disruption"—as criticism of Musk's increasingly powerful agency builds.





Tesla and SpaceX CEO Elon Musk, joined by his son X, delivers remarks alongside U.S. President ... [+] GETTY IMAGES

### **TIMELINE**

### Feb. 17

U.S. District Judge Tanya Chutkan held a court hearing over Democratic state attorneys general's request for the court to immediately stop DOGE from accessing data and firing federal workers—because they argue Musk is an "agent of chaos" unlawfully influencing the federal government—with a lawyer for the Trump administration arguing the states don't have a case because he claimed Musk doesn't have "any formal or actual authority to make any government decisions himself."

• Chutkan has not yet ruled on the states' request but said she thought the government's claims defending Musk went "too far"—noting Musk is a private citizen whose organization has essentially been granted access to the "entire workings of the federal government"—and also chastised the Trump administration after its lawyers could not confirm how many federal employees DOGE had recently fired.

Feb. 17

DOGE is seeking access to a critical Internal Revenue Service system, the Integrated Data Retrieval System (IDRS), that could give the Musk-led agency the ability to see financial details of every taxpayer and business in the country, with CNN reporting Monday morning a DOGE official is expected to be "imminently" granted access.

• On its X account, DOGE also said it is "looking into" a purported anomaly in the Social Security system that lists millions of Americans over the age of 110—which Musk implied was an example of "vampire" recipients for Social Security assistance.

### • Feb. 13

Attorneys general from New Mexico, Arizona, Michigan and 11 other states sued Musk, DOGE and President Donald Trump alleging Musk's "virtually unchecked authority" is unconstitutional, saying Trump "transformed a minor position that was formerly responsible for managing government websites into a designated agent of chaos without limitation."

### • 11:40 p.m EST, Feb. 12

DOGE tweeted out that its official site was live, though the site only had a feed of what the agency had been tweeting on X, a page for people apply to work with DOGE, a chart explaining the breakdown of government employees, and a savings page that read: "Receipts coming soon, no later than Valentine's day ."

• In the post announcing the website—which went live almost 24 hours after Musk told ABC News all of DOGE's actions were being posted to the

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 106 of 397 website to increase transparency—the department said it "will constantly be working to maximize the site's utility and transparency."

### • 5:45 p.m. EST, Feb. 11

Trump issues an executive order directing government agencies to consult with DOGE on hiring approvals, hiring ratios and hiring plans aimed at slashing the federal workforce and "eliminating waste, bloat, and insularity."

The order calls for massive cuts in the federal workforce, including a
directive "that each agency hire no more than one employee for every four
employees that depart," with certain exceptions like the military and law
enforcement.

### 4:30 p.m. EST, Feb. 11

Speaking in the Oval Office with Trump, Musk defended DOGE's cuts, saying they've done them transparently by posting their actions on X and on the DOGE website, and he said he is trying to implement "commonsense controls that should be present that haven't been present" to federal spending.

- "We had no idea we were going to find this much," Trump said of DOGE's work so far, adding: "We're finding tremendous fraud and tremendous abuse."
- When asked how he responds to people saying he is taking over the government in a non-transparent way, Musk said, "the people voted for major government reform, there should be no doubt about that ... they'll get what they voted for ... and that's what democracy is all about."

### 3:41 p.m. EST, Feb. 11

Trump's press secretary Karoline Leavitt posted on X, formerly known as Twitter, that Musk and Trump were in the Oval Office to "give the TRUTH about DOGE!"

### Feb. 11

Hegseth told reporters "there's plenty of places where we want the keen eye of DOGE" to look for efficiency measures, but he said "we'll do it in coordination, we're not going to do things that are to the detriment of American operational or tactical capabilities," multiple outlets reported (it's unclear what kinds of cuts DOGE could target, or how large they'll be, especially since members of both parties have historically been reluctant to cut defense spending).

### Feb. 8

U.S. District Judge Paul Engelmayer issued an order early Saturday blocking Musk's government efficiency agency from accessing Treasury payments, citing an increased risk of hacking of sensitive information, and ordered those who are now prohibited from accessing these systems to destroy any information downloaded since Jan. 20.

### • 8:00 p.m. EST, Feb. 7

Some 19 Democratic state attorneys-general are suing Trump and Treasury Secretary Scott Bessent for letting DOGE access the government's payment systems, alleging the move violates the law, endangers personal information and could open the door to DOGE unconstitutionally slashing spending that's already been greenlit by Congress.

### 3:13 p.m. EST, Feb. 7

Marko Elez—a DOGE staffer who resigned Thursday after the Wall Street

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 108 of 397 Journal uncovered numerous offensive comments from the self-proclaimed "racist"—is coming back to work for the agency, Musk posted to X, commenting, "To err is human, to forgive divine" (hours earlier, he polled X users on whether Elez should return).

 Musk's announcement on the 25-year-old Elez was in response to Vance's support of the return.

### 2:55 p.m. EST, Feb. 7

Forbes resurfaces a number of problematic social media posts by 25-year-old DOGE emissary Gavin Kliger, including one calling former Democratic presidential candidate Hillary Clinton "retarded" and a bevy of anti-immigration posts.

### • 2:41 p.m. EST, Feb. 7

Bloomberg reports 19-year-old DOGE agent Edward Coristine was fired from a previous internship for leaking sensitive company information to a competitor.

### 11:26 a.m. EST, Feb. 7

Vance posted to "bring [Elez] back," referring to Elez, who resigned after The Wall Street Journal reported on his prior social media activity (a White House official confirmed to Forbes that Elez resigned, but did not comment on the reason for his departure).

- "I obviously disagree with some of Elez's posts, but I don't think stupid social media activity should ruin a kid's life," explained Vance.
- Vance said he "obviously disagree[s] with some of Elez's posts," which included a call to "normalize Indian hate" (Vance's wife Usha Vance is the

### 9:14 a.m. EST, Feb. 7

Musk appeared to test public opinion about Elez on his X social media site, putting out a poll asking if the administration should "bring back @DOGE staffer who made inappropriate statements via a now deleted pseudonym"—and more than 80% of respondents supported Elez's return.

- Musk, who did not reference Elez by name, whitewashed the posts as "inappropriate," though Elez self-identified as "racist," supported "eugenic immigration policy" and slammed interracial marriage.
- "True," Musk responded to an X user calling for Musk to "have a talk to about the racist stuff. Not cool."

### • 8:09 p.m. EST, Feb. 6

Rep. Val Hoyle, D-Ore., one of the two Democratic members on the 29person DOGE panel, announced her resignation from the caucus in a statement highly critical of "unelected billionaire Elon Musk."

• Musk and his "lackeys" are set on "burning down the government—and the law—to line his own pockets and rip off Americans across the country who depend on government services to live with dignity," according to Hoyle, who slammed DOGE's "corrupt" access to Treasury Department payments data and the use of "intimidation tactics to terrorize" government workers.

### 4 p.m. EST, Feb. 6

Elez, one of the two primary DOGE emissaries embedded in the Treasury

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 110 of 397 Department, resigned from the Musk-led agency, the White House told The Wall Street Journal, after the publication uncovered Elez's ties to a since-deleted X account with racist posts including calling for "eugenic immigration policy" and to "normalize Indian hate."

- The 25-year-old Elez previously worked for Musk's X and SpaceX, according to the Journal.
- A White House official confirmed Elez's resignation to Forbes, declining to comment on the circumstances of his exit.

### • 2 p.m. EST, Feb. 6

Treasury Secretary Scott Bessent told Bloomberg DOGE is not "tinkering" with the government payment systems the agency has access to, and Musk's agency is conducting an "operational review" of government payments, not an "ideological review" (Musk's statements have often veered toward the latter, calling the U.S. Agency for International Development a "criminal organization.")

 "Elon and I are completely aligned in terms of cutting waste and increasing accountability and transparency for the American people," Bessent added.

### Feb. 6

People with ties to DOGE are using AI—accessed via Microsoft's Azure service—to sort through Education Department data with "personally identifiable information for people who manage grants, as well as sensitive internal financial data" while they look for ways to save the government money across departments, The Washington Post reported, citing two unnamed people (a department spokesperson told the Post

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 111 of 397 they're looking for efficiencies, and there's "nothing inappropriate or nefarious").

### Feb. 6

Judge Colleen Kollar-Kotelly approved an agreement that grants Tom Krause and Marko Elez—two Musk associates working as special government employees—the ability to see Treasury Department data "as needed" on a read-only basis.

• The agreement is a temporary fix that will remain in place until Kollar-Kotelly makes a further judgment on the lawsuit, which was brought by nonprofits and unions seeking to limit DOGE's access to the Treasury Department's private financial data.

### 8:40 a.m. EST, Feb. 6

DOGE workers have access to employee data from the Office of Personnel Management, essentially the federal government's human resources arm, The Washington Post reported Thursday, citing four anonymous U.S. officials—the data includes addresses, demographics and Social Security numbers, and DOGE's access includes the ability to edit employee records (there's no evidence DOGE staff have edited any records).

### • Feb. 5

Justice Department lawyers agreed Wednesday to a proposal that would limit DOGE's access to the critical Treasury payment system following a lawsuit, with only two Musk associates now permitted to have "read-only" access.

### • Feb. 5

The Centers for Medicare and Medicaid Services released a statement on its collaboration with DOGE and said two senior agency veterans are

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 112 of 397 working with DOGE and they are "taking a thoughtful approach to see where there may be opportunities for more effective and efficient use of resources in line with meeting the goals of President Trump."

### • 12:01 p.m. EST, Feb. 5

Musk quote-tweeted a post on X, formerly known as Twitter, with a screenshot of The Wall Street Journal's reporting on DOGE being at Medicare and said, "Yeah, this is where the big money fraud is happening."

### • 11 a.m. EST, Feb. 5

DOGE team members were onsite at the Centers for Medicare and Medicaid Services to look for fraud or waste, Bloomberg and The Wall Street Journal reported, citing people familiar with the matter who said DOGE representatives had access to payment and contracting systems.

### • 5:40 p.m. EST, Feb. 4

The Treasury sent a letter to Congress stating it is "committed to safeguarding the integrity and security of the system" and the "Fiscal Service is confident those protections are robust and effective," adding that Tom Krause, who is affiliated with DOGE but is a Treasury employee, has "read-only access to the coded data of the Fiscal Service's payment systems" in an effort to review efficiency.

### • 4 p.m. EST, Feb. 4

Sens. Elizabeth Warren, D-Mass., and Ron Wyden, D-Ore., requested the Government Accountability Office investigate Bessent's "decision to grant access to sensitive government payment systems to Elon Musk and other" DOGE employees, specifically asking them to identify if there are guardrails in place to protect "economic and national security and

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 113 of 397 Americans' privacy" and ensure there are no conflicts of interest with Musk.

### • 3:45 p.m EST, Feb. 3

Senate Democrats held a news conference at which they expressed their concern about Musk getting access to the federal payment system, with Senate Minority Leader Chuck Schumer, D-N.Y., saying "an unelected shadow government is conducting a hostile takeover of the federal government," and Sen. Patty Murray, D-Wash., saying Musk was "hijacking our nation's most sensitive financial systems and its checkbook."

### Feb. 3

The American Federation of Government Employees and other unions sued the Treasury Department in an effort to reduce DOGE's access to Treasury data.

### Feb. 1

The Associated Press and The New York Times reported Bessent granted DOGE access to the sensitive Treasury data, giving Musk a "powerful tool to monitor and potentially limit government spending," according to the Times.

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### WHAT IS DOGE?

Musk floated the idea of DOGE in September before Trump was elected, and shortly after, Trump said he would create it and have Musk lead it. After he won the election, Trump appointed Musk and Vivek Ramaswamy to lead the

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 114 of 397 commission and advised them to "slash excess regulations, cut wasteful expenditures, and restructure Federal Agencies." DOGE was officially created via an executive order on Trump's first day in office that restructured an existing entity, the U.S. Digital Service, to be the U.S. DOGE Service. It is not a new federal agency or department, and many members of the team are designated as "special government employees," according to the Congressional Research Service.

### WHAT AUTHORITY DOES DOGE HAVE?

There is no clear outline in the executive order establishing DOGE about what authority it has. Per the order, the role of it is "to implement the President's DOGE Agenda, by modernizing Federal technology and software to maximize governmental efficiency and productivity." The order said the DOGE administrator will work with agency heads to improve the efficiency of software and how agencies work with each other and collect data. DOGE officials have reportedly been gaining access to sensitive data and information upon request.

### DOES ELON MUSK WORK FOR THE GOVERNMENT?

Musk is a "special government employee." The Justice Department defines the role as any employee expected to work for the federal government for up to 130 days, and they are prohibited from participating in matters that may have financial conflicts of interest or from using their role to influence an election or engage in political activity while on duty. The role of a special government employee is subject to most rules and guidelines that apply to federal employees, but they can be "less restrictive" because the role is temporary. Musk is reportedly not being paid for his work in the White House.

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It's unclear who works for DOGE. On Nov. 14, 2024, DOGE's account on X asked people to direct message the account with their resumes if they were "super high-IQ small-government revolutionaries willing to work 80+ hours per week on unglamorous cost-cutting." On Feb. 2, Wired published an article alleging they were able to identify six engineers between the ages of 19 and 24 working for DOGE who had ties to other Musk companies or billionaire Peter Thiel. Katie Drummond, Wired's global editorial director, told CNN "it's a little bit difficult to ascertain exactly what they are doing," but Wired was able to determine they are "working at the behest of Musk ... on a number of engineering related tasks." But, in a letter sent from eight Senate Democrats to White House Chief of Staff Susie Wiles requesting more information on what DOGE is doing, the lawmakers said "no information has been provided to Congress or the public as to who has been formally hired under DOGE."

### WHAT DEPARTMENTS IS DOGE WORKING IN?

DOGE has appeared to so far do most of its work with the USAID, which Musk has said—without evidence—is "incredibly politically partisan" and a "radical-left political psy op." Since Musk began discussing USAID on Monday, the agency has placed direct hire personnel globally on administrative leave, with few exceptions, and some USAID employees were seen clearing out their desks. Beyond that, DOGE said on Jan. 24 that in its first 80 hours of operating, it canceled "approx \$420M of current/impending contracts" and two leases while focusing "mainly on DEI contracts and unoccupied buildings." On Thursday, The Washington Post reported DOGE was analyzing the Education Department's spending using artificial intelligence. It's suspected Musk was involved in the Office of Personnel Management's buyout offer to all federal employees, and he previously suggested the government should close the Consumer Financial Protection Bureau, which was directed earlier this week to pause its work, Reuters reported.

### WHAT ARE DEMOCRATS DOING TO STOP DOGE?

2/17/25, 9:33 PM Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 116 of 397 On Tuesday, more than 1,000 protesters gathered outside the Treasury building in Washington, D.C., to protest DOGE's actions, and more than two dozen Democratic lawmakers spoke at the gathering, the Associated Press reported. Democrats also teased the "Stop the Steal" Act on Tuesday, which House Minority Leader Hakeep Jeffries, D-N.Y., said would "prevent [DOGE's] unlawful access from taking place." Democrats tried to subpoena Musk on Wednesday to get more information on his actions and DOGE's work, but congressional Republicans blocked the subpoena, ABC News reported. The top Democrat on the House Oversight Committee, Rep. Gerald Connolly, D-Va., said Musk's role is "puzzling" for many people, adding: "Who is this unelected billionaire that he can attempt to dismantle federal agencies, fire people, transfer them, offer them early retirement and have sweeping changes to agencies without any congressional review, oversight or concurrence?" Democrats have limited power in opposing DOGE, or Trump's actions more broadly, though, as Republicans control the House and Senate.

### **FURTHER READING**

Unions Sue To Stop Elon Musk's DOGE From Accessing Treasury Department Data (Forbes)

Elon Musk's Team Now Has Access to Treasury's Payments System (New York Times)

Elon Musk's DOGE Team Mines for Fraud at Medicare and Medicaid Agency CMS (Bloomberg)

What Is Elon Musk's Role, Exactly? White House Calls Him 'Special Government Employee'—Here's What That Means (Forbes)



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What do you think?

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LH Lois H.

6 February, 2025

An individual with the power that Musk has must be approved by Congress. There is something very wrong with this and it seems unconstitutional. There is too much central power at this point, and the power is not restricted in any way by any part of the government.

Reply - 29 - Share

### Mu MyForbes User

6 February, 2025

Stop calling DOGE an agency. It is NOT an agency and has none of the authority to do anything that it is doing right now. I hope the courts set in before permanent damage it done

Reply - 25 - Share

LH Lois H.

7 February, 2025

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 118 of 397 That's something that absolutely

•••

must be addressed in the courts.

Reply · 🖒 3 · Share

JA

### Julie A.

6 February, 2025

Musk should be brought up on charges of espionage and identity theft/fraud. He has no right nor was he elected to any office in our government.

Reply - 27 - Share

Holly P HP

13 February, 2025

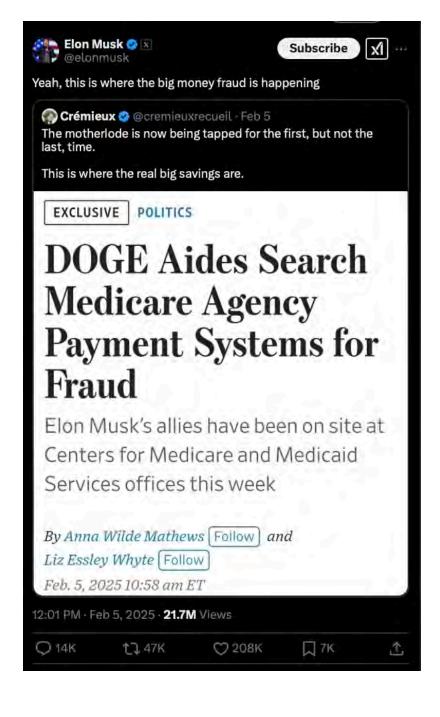
I don't think you understand what espionage is dear, but I do believe you and many others in this thread should be brought up on charges of sedition.

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# Young Aides Emerge as Enforcers in Musk's Broadside Against Government

Much of the billionaire's handiwork — gaining access to internal systems and asking employees to justify their jobs — is being driven by a group of engineers operating in secrecy.



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By Theodore Schleifer, Nicholas Nehamas, Kate Conger and Ryan Mac

Feb. 7, 2025

At the end of his third week bulldozing through the federal government, Elon Musk sat down to give Vice President JD Vance a 90-minute briefing on his efforts to dismantle the bureaucracy. Mr. Musk was not alone.

Invited to join him on Thursday morning in Mr. Vance's stately ceremonial office suite in the Eisenhower Executive Office Building, next to the White House, were a clutch of young aides whose presence at federal agencies has served as a harbinger of the upheaval that would follow them.

Across the federal government, civil servants have witnessed the sudden intrusion in the last two weeks of these young members of the billionaire's team, labeled the Department of Government Efficiency. As Mr. Musk traipses through

Washington, bent on disruption, these aides have emerged as his enforcers, sweeping into agency headquarters with black backpacks and ambitious marching orders.

While Mr. Musk is flanked by some seasoned operatives, his dizzying blitz on the federal bureaucracy is, in practice, largely being carried out by a group of male engineers, including some recent college graduates and at least one as young as 19.

Unlike their 20-something peers in Washington, who are accustomed to doing the unglamorous work ordered up by senior officials, these aides have been empowered to break the system.

Of the roughly 40 people on the team, just under half of them have some previous ties to the billionaire — but many have little government experience, The New York Times found. This account of their background and activities is based on public records, internal government databases and more than 20 people familiar with their roles, who spoke on the condition of anonymity out of fear of retaliation.

Some on the Musk team are former interns at his companies. Others are executives who have served in his employ for as long as two decades. They all appear to have channeled his shoot-first, aim-later approach to reform as they have overwhelmed the bureaucracy.

A 23-year-old who once used artificial intelligence to decode the word "purple" on an Ancient Greek scroll has swiftly gained entree to at least five federal agencies, including the Centers for Medicare and Medicaid Services, where he has been seeking access to sensitive databases. He was part of a group that helped effectively shutter the United States Agency for International

Development, joined by the 19-year-old, a onetime Northeastern student who was fired from a data security firm after an investigation into the leaking of internal information, as Bloomberg first reported.

The United States Agency for International Development is one of several federal agencies that young representatives of Mr. Musk's team have been tasked to root out what he perceives as wasteful spending and left-wing ideology. Haiyun Jiang for The New York Times

In the past week, his aides have descended upon the Education, Energy, Housing and Urban Development, Health and Human Services, Transportation and Veterans Affairs Departments, along with the National Oceanic and Atmospheric Administration, the Federal Emergency Management Agency and the Consumer Financial Protection Bureau, according to people familiar with their activities.

Mr. Musk has praised his team as talented and relentless, defending its work as crucial to rooting out what he perceives as wasteful spending and left-wing ideology in the federal government.

"Time to confess," he wrote on X this week. "Media reports saying that @DOGE has some of world's best software engineers are in fact true."

Mr. Musk did not respond to a request for comment.

On Friday, Mr. Trump told reporters that he was "very proud of the job that this group of young people, generally young people, but very smart people, they're doing.

"They're doing it at my insistence," he added. "It would be a lot easier not to do it, but we have to take some of these things apart to find the corruption."

Even as Mr. Musk's team members upend the government, their identities have been closely held, emerging only piecemeal when the new arrivals press career officials for information and access to agency systems.

The opacity with which they are operating is highly unusual for those working in government. Aside from those conducting classified or intelligence work, the names of public employees are not generally kept secret.

Harrison Fields, a White House spokesman, said the cost-cutting team has gone through the same vetting as other federal employees, but declined to say what the vetting consisted of or whether Mr. Musk's aides have security clearances.

The Times identified members of Mr. Musk's initiative through internal emails identifying their roles and interviews with employees across the government who have interacted with them. None of the Musk aides responded to requests for comment.

The secrecy, Musk allies have said, is necessary so the team members do not become targets.

Several of Mr. Musk's aides have resisted being listed in government databases out of fear of their names leaking out, according to people familiar with the situation. Others have worked to remove information about themselves from the internet, scrubbing résumés and social media accounts.

When their names have been made public by news organizations such as Wired, they have been scrutinized by online sleuths. Mr. Musk has asserted, falsely, that the exposure of their roles is a "crime," and X has removed some posts and issued suspensions to those who publicize their identities.

One Musk aide whose name surfaced, Marko Elez, a 25-year-old former employee of X, resigned on Thursday, according to a White House official, after The Wall Street Journal revealed that he had made racist posts on X, writing in one message that "you could not pay me to marry outside of my ethnicity." Mr. Elez, a former employee at both X and xAI, Mr. Musk's artificial intelligence company, was one of two staff members affiliated with Mr. Musk's team who had gained access to the Treasury Department's closely held payment system.

Mr. Elez was among those who had been invited to attend Mr. Musk's meeting with the vice president before he resigned, according to documents seen by The Times. On Friday, Mr. Musk called for The Journal reporter to be fired and said he was reinstating Mr. Elez, a move that both the president and the vice president said they supported. "We shouldn't reward journalists who try to destroy people," Mr. Vance posted on X.

A spokesman for Mr. Vance declined to comment.

Some of Mr. Musk's top advisers are more seasoned. Senior players include Brad Smith, a health care entrepreneur and an official during President Trump's first term; Amy Gleason, a former U.S. Digital Service official who has been helping at the Centers for Medicare and Medicaid Services; and Chris Young, a top Republican field operative whom Mr. Musk hired as a political adviser last year. Others bring extensive private sector backgrounds, including from firms like McKinsey and Morgan Stanley.

Brad Smith, left, was a health care official during President Trump's first term and now is counted among the top advisers to Mr. Musk. Doug Mills/The New York Times

But Washington is a town where much is run by twentysomethings. And much of Mr. Musk's handiwork — gutting federal websites, demanding access to internal systems, sending late-night all-staff emails and asking veteran employees to

justify their jobs — is being executed by young aides, some of them pulling allnighters as they burrow into agencies.

Last week, young representatives of Mr. Musk's team with backpacks stuffed with a half-dozen laptops and phones arrived at the headquarters of U.S.A.I.D., demanding access to financial and personnel records. On Friday, a dozen stayed into the night, powered by a bulk order of coffee. The next day, the agency's website went dark.

At the Education Department alone, as many as 16 team members are listed in an employee directory, including Jehn Balajadia, who has effectively served as Mr. Musk's assistant for years.

Jehn Balajadia, who has long worked for Mr. Musk, is now listed in the Education Department's employee directory.

Patrick T. Fallon/Bloomberg

At the Office of Personnel Management, the nerve center of the federal government's human resources operation, a small group of coders on Mr. Musk's team sometimes sleep in the building overnight. They survive on deliveries of pizza, Mountain Dew, Red Bull and Doritos, working what Mr. Musk has described as 120-hour weeks.

At the General Services Administration, another central hub for Mr. Musk's aides, beds have been installed on the sixth floor, with a security guard keeping people from entering the area.

While most senior employees wear suits, the aides favor jeans, sneakers and T-shirts, sometimes under a blazer, with one sporting a navy-blue baseball cap with white lettering reading "DOGE."

The culture clash is evident. Perhaps unsurprisingly, career employees who have worked for decades in the government have bristled at taking orders from the young newcomers. One coder has openly referred to federal workers as "dinosaurs." Some staff members at the personnel office, in turn, derisively call the young men "Muskrats."

As they assess the workings of the government, Mr. Musk's aides have been conducting 15-minute video interviews with federal workers. Some of their questions have been pointed, such as querying employees about whom they would choose to fire from their teams if they had to pick one person. At times, the aides have not turned on their cameras or given their last names, feeding suspicion.

In one video interview heard by The Times, a young team representative who introduced himself by his first name said he was an "adviser" to government leadership and a startup founder. He pressed the interviewee to describe their contributions with "highest impact" and to list any technical "superpowers."

It is not always clear which employees are formally part of the team. Even the putative head of the department, Steve Davis, a decades-long lieutenant of Mr. Musk who has accompanied the billionaire on his meetings in Washington, has not been formally announced.

Steve Davis, right, has been a decades-long lieutenant of Mr. Musk and now seemingly has a leadership role in his Department of Government Efficiency. Patrick Fallon/Zuma, via Alamy

Many of Mr. Musk's aides, including Mr. Davis, hold multiple roles simultaneously, working for one of the team's central hubs — the personnel office or the General Services Administration — while also maintaining email addresses and offices at other agencies.

Luke Farritor, who won the award for using artificial intelligence to decipher an ancient scroll, joined Mr. Musk's initiative after dropping out of the University of Nebraska-Lincoln to pursue a fellowship funded by the billionaire PayPal founder Peter Thiel. A former SpaceX intern, Mr. Farritor, in preparation to join the team, started learning COBOL, a coding language considered retrograde in Silicon Valley but common in government.

Luke Farritor, a former University of Nebraska-Lincoln student and SpaceX intern, is one of many of Mr. Musk's aides who hold multiple roles simultaneously, working for one of the team's central hubs while also maintaining email addresses and offices at other agencies.

University of Nebraska-Lincoln

He and Rachel Riley, a former McKinsey consultant who works closely with Mr. Smith, are now both listed as employees in the Office of the Secretary at the Department of Health and Human Services. This week, they requested access to payment systems at the Medicare agency, according to a document seen by The Times.

2/17/25, 4:23 PM

Mr. Farritor, who also has email accounts at the General Services Administration, the Education Department and the Centers for Disease Control and Prevention, was at the Energy Department on Wednesday, and has told others that he is getting deployed to additional agencies. He is one of about a half-dozen aides who are holed up in a corner around the G.S.A. administrator's offices, interviewing tech staff members about their work.

The General Services Administration has served as a central hub for Mr. Musk's aides, with beds installed on the sixth floor and a security guard to keep people from entering. Graeme Sloan/Sipa, via AP Images

Other figures often on hand include Ethan Shaotran and Edward Coristine, who have been accompanying a top Musk ally, Thomas Shedd, who oversees the agency's tech division. Mr. Shaotran, a 22-year-old Harvard student, was part of a team that was the runner-up in a hackathon competition run by xAI last year.

Mr. Coristine, 19, graduated from high school in Rye, N.Y., last year, according to a school magazine that noted his outstanding performance on the Advanced Placement exams. Nowadays, he has an email address at the Education Department.

Before joining the government, Mr. Coristine was fired in June 2022 from an internship at Path, an Arizona-based data security company, after "an internal investigation into the leaking of proprietary company information that coincided with his tenure," the company said in a statement Friday.

One Musk acolyte has leaned into his new status as a Washington celebrity.

Gavin Kliger, a newly minted senior adviser at the personnel office, wrote a Substack post this week titled "Why DOGE: Why I gave up a seven-figure salary to save America" — and asked users to pay a \$1,000-per-month subscription fee to read it.

The post behind the paywall appeared to have been left intentionally blank, according to users who saw it.

Mr. Kliger, 25, a software engineer, amplified a message posted on X in December by Nick Fuentes, one of the country's most prominent young white supremacists, which mocked those who celebrate their interracial families. The post was removed from Mr. Kliger's page after The Times inquired about it. He did not respond to requests for comment.

Mr. Kliger and Mr. Farritor were among those who obtained access to U.S.A.I.D. websites and tried to get into a secure area at the agency before being turned away by security last week, according to people familiar with the matter. After

On X, Mr. Kliger has defended cuts to the agency. He also responded to one person who criticized him as "one of the men carrying out Musk's coup."

"A 'coup' is when a duly elected president wins a democratic election and delivers on campaign promises," Mr. Kliger wrote on X on Monday. "Got it."

Reporting was contributed by Maggie Haberman, Mattathias Schwartz, Edward Wong, Erica L. Green, Madeleine Ngo, Zach Montague, Christopher Flavelle, Andrew Duehren, Brad Plumer, Kellen Browning and Aric Toler. Kitty Bennett contributed research.

Theodore Schleifer is a Times reporter covering billionaires and their impact on the world. More about Theodore Schleifer

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A version of this article appears in print on , Section A, Page 1 of the New York edition with the headline: Young Enforcers Carry Out Blitz On Bureaucracy

## Treasury Official Quits After Resisting Musk's Requests on Payments

Elon Musk's cost-cutting team sought access to the government's vast payment system, part of its bid to choke off federal funding.











By Andrew Duehren, Alan Rappeport, Theodore Schleifer, Jonathan Swan and Maggie Haberman Reporting from Washington

Jan. 31, 2025

The Trump administration pushed out a top Treasury Department official this week after he refused to give Elon Musk's cost-cutting team access to the government's vast payment system, part of a bid by the so-called Department of Government Efficiency to choke off federal funding.

David Lebryk, a career civil servant who oversaw the more than one billion payments that the federal government makes every year, was placed on administrative leave this week after resisting requests from Mr. Musk's lieutenants, according to people familiar with the circumstances, who spoke on the condition of anonymity to describe sensitive internal dynamics.

On Friday, Mr. Lebryk — who had briefly served as acting Treasury secretary until the confirmation of Scott Bessent this week — told colleagues that he would retire after more than 35 years of working for the government.

Mr. Lebryk's abrupt departure raises questions about whether Mr. Musk will now gain control of the payment system — and, if so, how he could use it. His exit also underscores the extraordinary amount of power that Mr. Musk, whose current employment status inside the federal government remains unclear, is accumulating at the opening of the second Trump administration.

Mr. Musk, a billionaire, has dispatched aides across the bureaucracy to try to radically reduce spending. He has told Trump administration officials that he aims to take control of the Treasury computers used to complete payments in order to identify fraud and abuse, according to three people familiar with his remarks.

The Treasury Department executes payments on behalf of agencies across the government, disbursing \$5.4 trillion, or 88 percent of all federal payments, in the last fiscal year. The system is run out of the Bureau of the Fiscal Service, a little-known but critical office that is responsible for getting money to Social Security recipients, government employees, contractors and others.

Former Treasury officials said they were not aware of a political appointee ever seeking access to details of the payment system, which includes reams of sensitive personal information about American citizens. Control of the system could give Mr. Musk's allies the ability to unilaterally cut off money intended for federal workers, bondholders and companies, and open a new front in the Trump administration's efforts to halt federal payments.

"The fiscal service performs some of the most vital functions in government," Mr. Lebryk wrote to his colleagues in an email announcing his retirement on Friday, according to a copy of the email viewed by The New York Times. "Our work may be unknown to most of the public, but that doesn't mean it isn't exceptionally important." He did not respond to requests for comment.

The White House and a representative of Mr. Musk's Department of Government Efficiency did not return requests for comment.

A spokesman for the Treasury Department declined to comment.

The departure of Mr. Lebryk, which was reported earlier by The Washington Post, and the potential for interference with the nation's payment systems comes at a precarious moment for the U.S. economy. The Treasury Department had to begin using so-called extraordinary measures last week to prevent a government default after a suspension of the debt limit expired. The ability to use those accounting tools could expire as soon as this summer, and it will be critical for the department to accurately track federal expenditures.

Mr. Musk has told senior administration officials that he believes the federal government is sending out hundreds of billions to people who either do not exist or are fraudsters, according to people familiar with his remarks. The Government Accountability Office estimated in a report that the government made \$236 billion in improper payments — three-quarters of which were overpayments — across 71 federal programs during the 2023 fiscal year.

Mr. Musk has been fixated on the Treasury system as a key to cutting federal spending. Representatives from his government efficiency initiative began asking Mr. Lebryk about source code information related to the nation's payment system during the presidential transition in December, according to three people familiar with the conversations.

Mr. Lebryk raised the request to Treasury officials at the time, noting that it was the type of proprietary information that should not be shared with people who did not work for the federal government. Members of the departing Biden administration were alarmed by the request, according to people familiar with their thinking. The people making the requests were on the Trump landing team at the Treasury Department, according to a current White House official.

The inquiries into the Treasury Department's payment processes have been led by the Musk allies Baris Akis and Tom Krause. Mr. Akis, a relative newcomer to Mr. Musk's circle, is a venture capitalist who during the transition has focused on the Treasury and the Internal Revenue Service.

Last weekend, Mr. Krause, the chief executive of a Silicon Valley company, Cloud Software Group, again pressed Mr. Lebryk for access to the system, according to two people familiar with the request. Mr. Lebryk declined, the people said.

Mr. Akis and Mr. Krause did not respond to requests for comment.

After the request, Mr. Lebryk sought meetings with Mr. Bessent, the agency's new secretary, and the Treasury Department's new chief of staff, Dan Katz, to discuss the situation, according to the people familiar with the matter.

After meetings with Mr. Katz and Mr. Bessent, Mr. Lebryk was placed on administrative leave, two people said. Other career officials will oversee the payment processes after Mr. Lebryk's departure.

"For many years, Dave Lebryk's leadership has helped to make our payment systems reliable and trusted at home and abroad," said Jacob Lew, a Treasury secretary under President Barack Obama. "The American people should not have to worry about political interference when it comes to receiving Social Security and other payments the fiscal service makes."

Mr. Akis has made similar inquiries at the I.R.S. about its information technology as part of an effort to automate tax collection, according to people familiar with the matter. During the transition, Mr. Akis asked to visit a major fiscal service

center in Kansas City, but was rejected by agency officials, one of the people said.

It is not clear if Mr. Akis has an official government role.

Mr. Krause is now working at the Treasury Department and has an employee badge, according to three people familiar with the matter. Mr. Krause has also led interviews of current U.S. Digital Service employees, many of whom are expecting to be laid off after the technology unit was renamed the U.S. DOGE Service.

The decision by Mr. Musk's efficiency team to integrate into the federal government, rather than set up an outside body, has been driven by its view that burrowing into the existing U.S. Digital Service will give it greater visibility into federal spending. That, Mr. Musk's team believes, could give it the ability to take drastic action over spending by giving it access to computer systems across the government.

During last year's presidential campaign, Mr. Musk pledged to secure about \$2 trillion in spending cuts. More recently, he has halved that goal. On Thursday evening, Mr. Musk claimed on X that cutting \$1 trillion "would mean no inflation" because of anticipated economic growth. "Super big deal," he said.

Andrew Duehren covers tax policy for The Times from Washington. More about Andrew Duehren

**Alan Rappeport** is an economic policy reporter, based in Washington. He covers the Treasury Department and writes about taxes, trade and fiscal matters. More about Alan Rappeport

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A version of this article appears in print on , Section A, Page 13 of the New York edition with the headline: Official Leaving After Refusing Access To Musk on Treasury Payment System

POLITICS

### DOGE was tasked with stopping Treasury payments to USAID, AP sources say



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WASHINGTON (AP) — Officials working with Elon Musk's Department of Government Efficiency sought access to the U.S. <u>Department of Treasury</u> payment system to stop money from flowing to the U.S. Agency for International Development, according to two people familiar with the matter.

DOGE's efforts to stop USAID payments undermine assurances that the department gave to federal lawmakers in a Tuesday letter that it sought only to review the integrity of the payments and had "read-only access" to the system as part of an audit process.

The two people familiar with the matter spoke Thursday to The Associated Press on condition of anonymity for fear of retaliation.

The actions by DOGE, a Trump administration effort to find ways to <u>reduce the federal workforce</u>, cut programs and slash federal regulations, have raised concerns among civil servants, Democratic lawmakers and others that Musk's team is withholding funds appropriated by Congress to suit the president's political

agenda.

USAID, a federal agency charged with delivering humanitarian assistance overseas, has been a particular target of President Donald Trump and Musk, both of whom have argued that much of the agency's spending is wasteful. Supporters of the agency, however, say that it is essential for national security, helping counter Russian and Chinese influence while providing humanitarian assistance across the globe.

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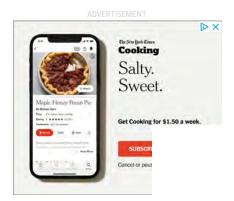


Groups representing federal workers file suit to stop Trump's shutdown of USAID

A judge on <u>Thursday</u> sided with advocates and federal workers unions who sought to stop the department from giving DOGE and Musk access to the payment systems. U.S. District Judge Colleen Kollar-Kotelly restricted DOGE's read-only access to Tom Krause, a software CEO, and Marko Elez, who reported to Krause but has since left his role at Treasury. The White House did not immediately respond to a request for

comment.

The Treasury Department's Fiscal Service conducts over 1.2 billion transactions annually and accounts for 90% of federal disbursements, including for Social Security and Medicare.



Krause, who is listed online as the CEO of Cloud Software Group, works at the department as a special government employee and is subject to less stringent rules on ethics and financial disclosures than other federal workers.

The department's acting deputy secretary, David Lebryk, retired after more than 30 years of service when Krause and DOGE requested access to sensitive data, the two people told The AP.

Trump ordered a funding freeze at USAID his first day in office, saying, "the United States foreign aid industry" was "not aligned with American interests." The funding freeze and subsequent stop-work orders shuttered most U.S. programs, which are worth billions of dollars and are in more than 100 countries.

While the funding freeze is supposed to last for as little as 90 days, aid workers say the damage done to aid work globally would require extensive investment and rebuilding to mend. Musk has tweeted repeated criticisms and unsubstantiated accusations about USAID as his DOGE crew dismantles much of the agency.

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"Spent the weekend feeding USAID into the wood chipper," Musk tweeted early this week.

The news that the department was trying to stop foreign aid payments was first reported by The New York Times.

Associated Press writers Ellen Knickmeyer and Lindsay Whitehurst contributed reporting from Washington.



### **FATIMA HUSSEIN**

Hussein reports on the U.S. Treasury Department for The Associated Press. She covers tax policy, sanctions and any issue that relates to money.





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### Treasury Sought to Freeze Foreign Aid Payments, Emails Show

Trump administration appointees and allies of Elon Musk wanted to use the Treasury's sensitive payment system to block disbursements.







By Andrew Duehren, Alan Rappeport and Theodore Schleifer

Feb. 6, 2025

In the days after President Trump took office, as Elon Musk's team began pressing for access to the Treasury Department's payments system, officials repeatedly said that their goal was to undertake a general review of the system. They said they would observe, but not stop money from going out the door.

But emails reviewed by The New York Times show that the Treasury's chief of staff originally pushed for Tom Krause, a software executive affiliated with Mr. Musk's so-called Department of Government Efficiency, to receive access to the closely held payment system so that the Treasury could freeze disbursements to the U.S. Agency for International Development.

In a Jan. 24 email to a small group of Treasury officials, the chief of staff, Dan Katz, wrote that Mr. Krause and his team needed access to the system so they could pause U.S.A.I.D. payments and comply with Mr. Trump's Jan. 20 executive order to halt foreign aid.

"To the extent permitted by law, we would like to implement the pause as soon as possible in order to ensure that we are doing our role to comply with the E.O.," Mr. Katz wrote.

The emails viewed by The Times undercut the Treasury's explanation for why Mr. Krause and his team had been given access to the payment system last week. That system disburses more than \$5 trillion in funding on behalf of much of the federal government.

The department, now led by Secretary Scott Bessent, has said that Mr. Krause, a Treasury staff member, and his team are conducting an "operational efficiency assessment" that does not involve blocking agency payments.

The possibility of systems at the Treasury's little-known Bureau of the Fiscal Service being used to stop congressionally authorized spending has stoked alarm among Democrats, who have called for investigations and led protests at the Treasury building.

David Lebryk, formerly the top career official at the Treasury, rebuffed the request to grant access and pause the aid payments.

"I don't believe we have the legal authority to stop an authorized payment certified by an agency," he wrote to the group on Jan. 24. Mr. Lebryk, who had been a federal employee for more than 35 years, was pushed out of his job days later for refusing to give Mr. Krause access to the system. Late on Jan. 31, a Friday, Mr. Bessent authorized entry for a team led by Mr. Krause after Mr. Lebryk's departure.

On Jan. 25, Mr. Krause responded to Mr. Lebryk and said the department should also weigh the legal consequences of the Treasury's disbursing payments in violation of the executive order.

"I think this deserves serious consideration as well. I believe we can all feel more comfortable that we hold payment at least to review the underlying payment requests from U.S.A.I.D. now so that we can be given time to consult State," Mr. Krause wrote, referring to the State Department.

The Trump administration has said the access for Mr. Krause and his team is limited. On Tuesday, the Treasury Department sent a letter to Congress stating that "currently," Mr. Krause and his team "will have read-only access," meaning they could not change anything. After public sector unions sued over the issue, a Justice Department lawyer said in court on Wednesday that only Mr. Krause and Marko Elez, another Treasury employee, had been given access to information in the system, which they had not shared outside the Treasury.

Mr. Elez, a former employee of Mr. Musk's at both X and xAI, resigned on Thursday, according to a White House official, after The Wall Street Journal revealed that he had made racist posts on X.com. Mr. Elez did not return requests for comment.

Mr. Elez, was one of several staffers that Mr. Musk's team planned to install at the Treasury. They also include Mr. Krause, a well-established Silicon Valley software executive; Aram Moghaddassi, who has worked for both X and Mr. Musk's Neuralink; and Michael Russo, a Silicon Valley executive who has since been named chief information officer of the Social Security Administration.

Mr. Bessent, in an interview on Wednesday with Larry Kudlow on the Fox Business Network, defended the Musk initiative's work and dismissed the suggestion that the Treasury's payment system had been compromised.

"Our payment system is not being touched," he said, adding that the Treasury was studying how to improve accountability, accuracy and the ability to trace where money is going. Mr. Bessent said that any stoppage of payments would

happen "upstream," within agencies.

Mr. Bessent also described Mr. Musk as the greatest entrepreneur of his generation and said that the backlash over his actions was happening because he was shaking up the federal bureaucracy.

"They are moving a lot of people's cheese here in the capital," Mr. Bessent said. "And when you hear you hear this squawking, then some status quo interest is not happy."

The push for access to the Treasury system came as the Trump administration moved to dismantle U.S.A.I.D., the government's lead agency for providing humanitarian assistance globally. Much of the agency's work force will be put on leave this week, and contracts have been halted.

Agencies across the government send files of sensitive data to the Bureau of the Fiscal Service, directing it to send money to individual Americans, contractors or state governments. Treasury officials conduct a final round of checks on the files, including by scanning them to see if any recipients are barred from receiving government funds, before authorizing the payments, which are then made by the Federal Reserve.

Because the process includes sensitive information about Americans, such as bank account numbers, a relatively small number of Treasury officials are typically involved.

Democrats have questioned whether Mr. Musk's team in fact has only "readonly" access to the payment system. In a post on X, Senator Sheldon Whitehouse, a Rhode Island Democrat, wrote that Mr. Musk's team could "manipulate data, steal data, and leave back doors. Your privacy gone." "The intern running Sheldon's social media account seems very upset," Mr. Musk responded, adding a crying laugh emoji.

On Thursday, before news of Mr. Elez's resignation, Judge Colleen Kollar-Kotelly of the Federal District Court in Washington issued a temporary restraining order in a suit challenging his and Mr. Krause's access to the system. The agreement with the Justice Department allowed Mr. Elez and Mr. Krause to have access to the system but barring them from disclosing it to anyone outside of the Treasury Department, including Mr. Musk.

Charlie Savage contributed reporting.

Andrew Duehren covers tax policy for The Times from Washington. More about Andrew Duehren

**Alan Rappeport** is an economic policy reporter, based in Washington. He covers the Treasury Department and writes about taxes, trade and fiscal matters. More about Alan Rappeport

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A version of this article appears in print on , Section A, Page 19 of the New York edition with the headline: Treasury Officials Sought to Freeze Foreign Aid Payments, Emails Show

# Elon Musk's Team Now Has Access to Treasury's Payments System

Treasury Secretary Scott Bessent gave Mr. Musk's representatives at the socalled Department of Government Efficiency a powerful tool to monitor and potentially limit government spending.









By Andrew Duehren, Maggie Haberman, Theodore Schleifer and Alan Rappeport Feb. 1, 2025

Treasury Secretary Scott Bessent gave representatives of the so-called Department of Government Efficiency access to the federal payment system late on Friday, according to five people familiar with the change, handing Elon Musk and the team he is leading a powerful tool to monitor and potentially limit government spending.

The new authority follows a standoff this week with a top Treasury official who had resisted allowing Mr. Musk's lieutenants into the department's payment system, which sends out money on behalf of the entire federal government. The official, a career civil servant named David Lebryk, was put on leave and then suddenly retired on Friday after the dispute, according to people familiar with his exit.

The system could give the Trump administration another mechanism to attempt to unilaterally restrict disbursement of money approved for specific purposes by Congress, a push that has faced legal roadblocks.

Mr. Musk, who has been given wide latitude by President Trump to find ways to slash government spending, has recently fixated on Treasury's payment processes, criticizing the department in a social media post on Saturday for not rejecting more payments as fraudulent or improper.

The Musk allies who have been granted access to the payment system were made Treasury employees, passed government background checks and obtained the necessary security clearances, according to two people familiar with the situation, who requested anonymity to discuss internal arrangements. While their access was approved, the Musk representatives have yet to gain operational capabilities and no government payments have been blocked, the people said.

Mr. Musk's initiative is intended to be part of a broader review of the payments system to allow improper payments to be scrutinized and is not an effort to arbitrarily block individual payments, the people familiar with the matter said. Career Treasury Department attorneys signed off on granting the access, they added, and any changes to the system would go through a review process and testing.

The Department of Government Efficiency, or DOGE, is not a government department, but a team within the administration. It was put together at Mr. Trump's direction by Mr. Musk to fan out across federal agencies seeking ways to cut spending, reduce the size of the federal work force and bring more efficiency to the bureaucracy. Most of those working on the initiative were recruited by Mr. Musk and his aides.

Similar DOGE teams have begun demanding access to data and systems at other federal agencies, but none of those agencies control the flow of money in the way the Treasury Department does.

One of the people affiliated with DOGE who now has access to the payment system is Tom Krause, the chief executive of a Silicon Valley company, Cloud Software Group, according to one of the people familiar with the situation.

Last weekend, Mr. Krause had pushed Mr. Lebryk for entry into the system. Mr. Lebryk refused and then was subsequently put on administrative leave, according to people familiar with the matter.

A Treasury Department spokesman, a spokeswoman for DOGE and the White House did not respond to requests for comment.

In a process typically run by civil servants, the Treasury Department carries out payments submitted by agencies across the government, disbursing more than \$5 trillion in fiscal year 2023. Access to the system has historically been closely held because it includes sensitive personal information about the millions of Americans who receive Social Security checks, tax refunds and other payments from the federal government.

Former officials said the onus was on individual agencies to ensure their payments are proper, not the relatively small staff at the Treasury Department, which is responsible for making more than one billion payments per year.

Mr. Lebryk, the career Treasury official who retired on Friday, had resisted requests from members of Mr. Trump's transition team for access to the data last month. After Mr. Trump took office, the White House indicated that he should be removed from the job and, according to a person familiar with the matter, Mr. Bessent suggested putting him on leave.

Democrats raised alarm this week that the Trump administration and Mr. Bessent, who was just confirmed by the Senate this week, were compromising the federal government's payments system.

"To put it bluntly, these payment systems simply cannot fail, and any politically motivated meddling in them risks severe damage to our country and the economy," Senator Ron Wyden of Oregon, the top Democrat on the Senate Finance Committee, wrote in a letter to Mr. Bessent on Friday. "I can think of no good reason why political operators who have demonstrated a blatant disregard for the law would need access to these sensitive, mission-critical systems."

On Saturday, Mr. Wyden expressed concern that access to the payment system had been granted and pointed out Mr. Musk — a billionaire with a vast portfolio — has potential conflicts of interest.

"Social Security and Medicare benefits, grants, payments to government contractors, including those that compete directly with Musk's own companies. All of it," he wrote on social media.

During the transition, Mr. Musk vocally opposed Mr. Bessent being picked as Mr. Trump's Treasury secretary. Mr. Musk, then just an empowered adviser to Mr. Trump, went public with his opinion that he preferred Howard Lutnick, a Wall Street executive, for the role because Mr. Bessent was "a business-as-usual choice." Mr. Lutnick became Mr. Trump's choice for Commerce secretary.

Andrew Duehren covers tax policy for The Times from Washington. More about Andrew Duehren

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A version of this article appears in print on , Section A, Page 18 of the New York edition with the headline: Musk's Efficiency Team Gains Full Access to Treasury's Federal Payments System



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# DOGE Aide Has Full Access To The Top Government Payment System: Reports

The system is responsible for trillions in government payments annually.



By Matt Shuham

Feb 4, 2025, 01:28 PM EST







928 COMMENTS





An aide to Elon Musk has administrative privileges in the Treasury

Department's payment system, according to <a href="two separate">two separate</a> <a href="news reports">news reports</a>
— something the White House has denied.

Musk is in charge of the so-called Department of Government Efficiency, or DOGE, which is a "temporary organization" President Donald Trump created via executive order rather than an official department.

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Within the organization, a <u>coterie of young aides with no government</u> <u>background</u> have glommed onto a number of key choke points in the federal government, including the <u>Office of Personnel Management</u>, the <u>General Services Administration</u> and the <u>Treasury Department</u>. The offices, respectively, are responsible for the federal government's workforce, its real estate, and its payment of a wide variety of funds, including Social Security benefits and tax returns.

The career civil servant who oversaw the Treasury Department's sensitive payment system recently retired after being put on administrative leave: he had unsuccessfully tried to resist DOGE's afforts



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DOGE Aide Has Full Access To The Top Government Payment System: Reports:-Free

government," in the report's words.

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Two unnamed sources told the publication that Elez had many administrator-level privileges, including the ability to write code on the Payment Automation Manager and the Secure Payment System.

Between them, PAM and SPS are responsible for actual payment of money through the <u>Federal Disbursement Services</u>, which is housed within the Treasury Department's Bureau of the Fiscal Service. Federal Disbursement Services paid out \$5.45 trillion in fiscal year 2024.

"You could do anything with these privileges," one unnamed source with knowledge of the system told Wired. Someone with the level of access Elez has would typically be able to change user permissions or delete or modify files, according to the report.

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Josh Marshall of Talking Points Memo confirmed Wired's reporting, writing that Elez not only had admin privileges but "has already made extensive changes" to the code base for the payments systems. The changes appeared to be related to potentially blocking payments and potentially leaving less visibility into what has been blocked.

Elez received full admin-level access Friday, according to the report. He has been working with some existing programming and engineering staff at the department who appeared to want to prevent damage to the systems, according to the report.

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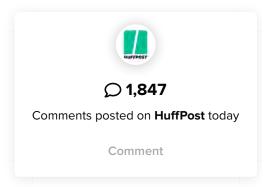
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"Phrases like 'freaking out' are, not surprisingly, used to describe the reaction of the engineers who were responsible for maintaining the code base until a week ago," Marshall wrote.





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Neither the Treasury Department nor Leavitt immediately responded to HuffPost's questions about the reports.

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POLITICS FEB 4, 2025 1:02 AM

## A 25-Year-Old With Elon Musk Ties Has Direct Access to the Federal Payment System

The Bureau of the Fiscal Service is a sleepy part of the Treasury Department. It's also where, sources say, a 25-year-old engineer tied to Elon Musk has admin privileges over the code that controls Social Security payments, tax returns, and more.



year-old engineer named Marko Elez, who previously worked for two Musk companies, has direct access to Treasury Department systems responsible for nearly all payments made by the <u>US government</u>, three sources tell WIRED.

Two of those sources say that Elez's privileges include the ability not just to read but to write code on two of the most sensitive systems in the US government: the Payment Automation Manager and Secure Payment System at the Bureau of the Fiscal Service (BFS). Housed on a secure mainframe, these systems control, on a granular level, government payments that in their totality amount to more than a fifth of the US economy.

Despite <u>reporting that suggests</u> that Musk's so-called <u>Department of Government Efficiency</u> (DOGE) task force has access to these Treasury systems on a "read-only" level, sources say Elez, who has visited a Kansas City office housing BFS systems, has many administrator-level privileges. Typically, those admin privileges could give someone the power to log in to servers through secure shell access, navigate the entire file system, change user permissions, and delete or modify critical files. That could allow someone to bypass the security measures of, and potentially cause irreversible changes to, the very systems they have access to.

"You could do anything with these privileges," says one source with knowledge of the system, who adds that they cannot conceive of a reason that anyone would need them for purposes of simply hunting down fraudulent payments or analyzing disbursement flow. "Technically I don't see why this couldn't happen," a federal IT worker tells WIRED in a phone call late on Monday night, referring to the possibility of a <u>DOGE</u> employee being granted elevated access to a government server. "If you would have asked me a week ago, I'd have told you that this kind of thing would never in a million years happen. But now, who the fuck knows."

A source says they are concerned that data could be passed from secure systems to DOGE operatives within the General Services Administration. WIRED reporting has shown that Elon Musk's associates—including Nicole Hollander, who slept in Twitter's offices as Musk acquired the company, and Thomas Shedd, a former Tesla engineer who now runs a GSA agency, along with a host of extremely young and inexperienced engineers—have infiltrated the GSA and have attempted to use White House security credentials to gain access to GSA tech, something experts have said is highly unusual and poses a huge security risk.

Elez, according to public databases and other records reviewed by WIRED, is a 25-year-old who graduated Rutgers University in 2021 and subsequently worked at SpaceX, Musk's space company, where he focused on vehicle telemetry, starship software, and satellite software. Elez then joined X, Musk's social media company, where he worked on search AI. Public Github repositories show years of software development, with a particular interest in distributed systems, recommendation engines, and machine learning. He does not appear to have prior government experience.

Elez did not immediately respond to a request for comment. The White House and Musk did not immediately respond to requests for comment.

#### Got a Tip?

Are you a current or former employee at the Treasury or Bureau of the Fiscal Service? Or other government tech worker? We'd like to hear from you. Using a nonwork phone or computer, contact the reporters securely on Signal at velliott88.18, dmehro.89, leahfeiger.86, and timmarchman.01.

Broadly speaking, the US government pays out money in one of two ways. Agencies like the Department of Defense and the US Postal Service are legally authorized to originate, certify, and issue payments on their own. The vast majority of payments, though—including federal tax returns, Social Security benefits, Supplemental Security Income benefits, and veteran's pay—flow through the Federal Disbursement Services, which according to Treasury records paid out \$5.45 trillion in fiscal year 2024. The Bureau of the Fiscal Service, a nonpartisan body, is charged with directing this money appropriately, moving it from government accounts to recipients. The Payment Automation Manager and the Secure Payment System are the mechanisms through which the money is paid out.

Control of those mechanisms could allow someone to choke off money to specific federal agencies or even individuals, a fear that Democrats have expressed about DOGE. On Monday, <u>Senate Democrats warned</u> of DOGE's encroachment into the payment system. "Will DOGE cut funding to programs approved by Congress that Donald Trump decides he doesn't like," said Senator Chuck Schumer of New York. "What about cancer research? Food banks? School lunches? Veterans aid? Literacy programs? Small business loans?"

The fight over whether DOGE could access Treasury systems led to a

<u>previously reported</u> standoff between acting Treasury secretary David Lebryk and Musk's associates. Lebryk was placed on administrative leave last week and subsequently resigned.

"Lebryk's resignation set an example," a source tells WIRED. "Any idea of resistance or noncompliance seems to be fading in the wake of that, and everything I have heard from leadership suggests they intend to give the 'DOGE' operatives what they are asking for."

Updated, 2/4/2025, 11:45 AM EDT: WIRED has updated the article to clarify on which mainframe the systems are housed.

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## Elon Musk says DOGE staffer who resigned for racist X posts will be brought back

Marko Elez resigned after The Wall Street Journal reported he had posted racist messages to X that included "normalize Indian hate."



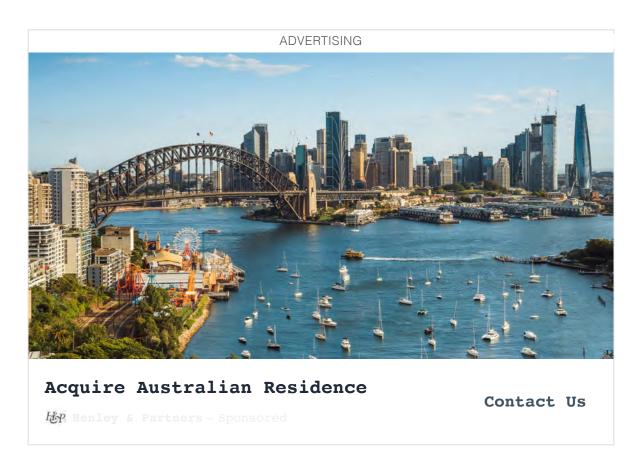
— Elon Musk in the U.S. Capitol on Dec. 5, 2024.

Tom Williams / CQ-Roll Call, Inc via Getty Images file

#### By Jason Abbruzzese

Elon Musk said Friday that he will bring back a DOGE staff member who resigned after it was found that he had previously made racist remarks online.

"To err is human, to forgive divine," Musk said in a repost to X of a post from Vice President JD Vance that also supported the staffer's reinstatement.



The staff member, 25-year-old Marko Elez, resigned from the Department of Government Efficiency (DOGE) Thursday after The Wall Street Journal reported that he had made comments online that included supporting racism and eugenics. The White House confirmed to NBC News that Elez had resigned.

Earlier Friday, Vance said that he would support Elez's rehiring.

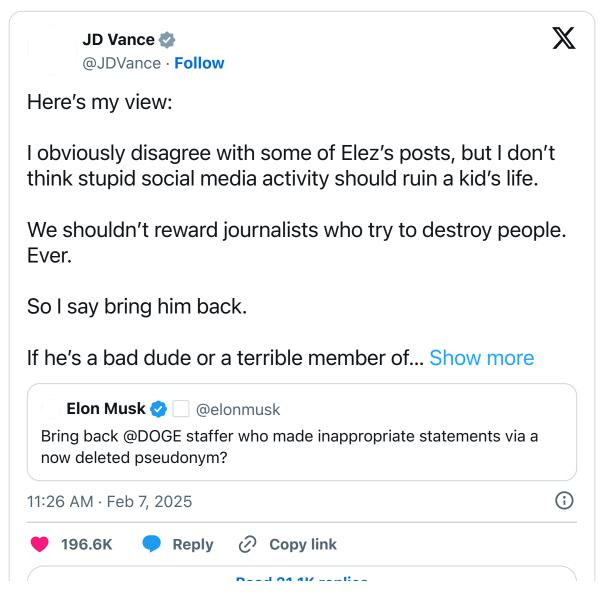
Vance made the comments on X, reposting a poll from DOGE head Elon

Musk asking if the staff member should be brought back.

"I obviously disagree with some of Elez's posts, but I don't think stupid social media activity should ruin a kid's life," Vance wrote. "We shouldn't reward journalists who try to destroy people. Ever."

"So I say bring him back," Vance continued. "If he's a bad dude or a terrible member of the team, fire him for that."

President Donald Trump, when asked about Vance's response during a news conference, said, "I'm with the vice president."



A Vance spokesperson declined to elaborate on the VP's post.

The Wall Street Journal said it reviewed archived posts from a deleted X account used by Elez in which he posted messages such as "Just for the record, I was racist before it was cool" and, "You could not pay me to marry outside of my ethnicity." "Normalize Indian hate," he wrote in another post. NBC News has not seen or verified those posts.

The Journal reported that the posts were made by an account, @nullllptr, that previously went by @marko\_elez, and that the account said they were an employee at SpaceX and Starlink, matching Elez's experience posted on his personal website.

A text message and phone call to a number associated with Elez were not immediately returned, and he did not comment to the Journal.

The incident comes as Musk's DOGE has embarked on a wide-ranging effort to slash the government's workforce. The Trump administration has also sought to eliminate roles focused on social justice initiatives.

Elez was one of a cadre of young Musk hires who joined DOGE as part of what Musk has said is an effort aimed at "dismantling the radical-left shadow government." That has included tech-focused personnel with no government experience, some of whom have left behind considerable social media footprints.

Gavin Kliger, another DOGE staffer, was reported by Rolling Stone to have previously reposted content from Nick Fuentes, a white nationalist who has dined with President Donald Trump.

Kliger did not immediately respond to requests for comment sent via

LinkedIn and email.

Rep. Ro Khanna, D-Calif., posted on X asking Vance if he'd tell Elez to apologize for his anti-Indian post, noting that both their families' children share Indian heritage. Vance's wife, Usha, is the daughter of Indian immigrants.

Vance fired back on X, charactizing Elez as a "kid" and saying that Khanna was engaging in "emotional blackmail pretending to be concern."

Henry J. Gomez, Peter Alexander and Katherine Doyle contributed.



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### **Elon Musk said Donald Trump** agreed USAID needs to be 'shut down'

By Jennifer Hansler, Alex Marquardt and Lex Harvey, CNN ② 5 minute read · Updated 7:48 AM EST, Mon February 3, 2025











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Alex Marquardt reports two top USAID security officials on leave amid dispute over DOGE access

03:18 - Source: CNN

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**(CNN)** — Elon Musk said President Donald Trump agreed the US Agency for International Development needs to be "shut down," following days of speculation over the future of the agency after its funding was frozen and dozens of its employees were put on leave.

"With regards to the USAID stuff, I went over it with (the president) in detail and he agreed that we should shut it down," Musk said in a X Spaces conversation early Monday.

Musk said he checked with Trump "a few times" and Trump confirmed he wants to shut down the agency, which dispenses billions in humanitarian aid and development funding annually. CNN has reached out to the White House and USAID for comment.

Sunday evening, before the X Spaces conversation, when asked for comment on USAID, Trump told reporters: "It's been run by a bunch of radical lunatics, and we're getting them out, and then we'll make a decision" on its future.

Musk's comments come after two top security officials at USAID were put on administrative leave Saturday night for refusing members of the Department of Government Efficiency access to systems at the agency, even when DOGE personnel threatened to call law enforcement, multiple sources familiar with the situation told CNN.

Around 60 senior USAID staff were put on leave last week on accusations of attempting to circumvent Trump's executive order to freeze foreign aid for 90 days. Another senior official was put on leave for trying to reverse that move after finding no evidence of wrongdoing.

In the X Spaces conversation early Monday, which he co-hosted with Republican Sen. Joni Ernst of Iowa and Vivek Ramaswamy – who was initially named co-chair of DOGE with Musk but has since left – the X owner called USAID "incredibly politically partisan" and said it has been supporting "radically left causes throughout the world including things that are anti-American."



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Musk said USAID is "beyond repair," among other attacks he made against the agency created by Congress as an independent body.

We don't have "an apple with a worm in it," he said. "We have a ball of worms."

"USAID is a ball of worms."

USAID was established in 1961 under President John F. Kennedy's administration and is the US government's humanitarian arm. It dispenses billions of dollars annually across the world in an effort to alleviate poverty, treat diseases, and respond to famines and natural disasters. It also promotes democracy building and development by supporting non-government organizations, independent media and social initiatives.

USAID is a key soft power tool of the US to foster relations with communities around the world, officials say, noting that US national security is approached with the "three D" pillars: defense, diplomacy and development, led, respectively, by the Defense Department, State

Department and USAID.

## DOGE personnel gained access to USAID files, sources say

According to sources, personnel from the Musk-created office first physically tried to access the USAID headquarters in Washington, DC, and were stopped. The DOGE personnel demanded to be let in and threatened to call US Marshals to be allowed access, two of the sources said.

The DOGE personnel wanted to gain access to USAID security systems and personnel files, three sources said. Two of those sources also said the DOGE personnel wanted access to classified information, which only those with security clearances and a specific need to know are able to access.

Three sources told CNN that in the end, the DOGE personnel were eventually able to access the headquarters.

The incident, which had not been previously reported, is the <u>latest showdown</u> as the Trump-affiliated DOGE seeks to exert increasing authority over the federal government as it aims to slash spending.

In a letter to Secretary of State Marco Rubio Sunday, Democratic members of the US Senate Foreign Relations Committee requested "an immediate update about the access of USAID's headquarters, including whether the individuals who accessed the headquarters were authorized to be there and by whom."

"The potential access of sensitive, even classified, files, which may include the personally identifiable information (PII) of Americans working with USAID, and this incident as a whole, raises deep concerns about the protection and safeguarding of matters related to U.S. national security," the letter said.

The Senators also wrote that "any effort to merge or fold USAID into the Department of State should be, and by law must be, previewed, discussed and approved by Congress.

Katie Miller, whom Trump named to DUGE in December, on Sunday appeared to confirm that DOGE personnel had accessed classified information.

"No classified material was accessed without proper security clearances," she posted on X.

On Sunday, in response to CNN's report about the incident, Musk said that "USAID is a criminal organization."

"Time for it to die," he posted on X.

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USAID website goes offline amid Trump administration's freeze on foreign aid

Other top Trump officials, such as Stephen Miller, who serves as deputy chief of staff for policy at the White House, have also taken aim at USAID, accusing its workforce of being overwhelmingly Democrats.

On Saturday, USAID's website went dark and a new page for the agency appeared on the State Department website. USAID's X account also went offline Saturday.

A source told CNN that the entire USAID public affairs office was put on leave and locked out of their systems.

Shortly after being sworn in last month, Trump issued a <u>sweeping executive order</u> pausing all foreign aid for 90 days, leading to <u>widespread confusion</u>, layoffs and program shutdowns.

USAID Director of Security John Voorhees and his deputy are among dozens of USAID officials who have been put on leave amid fears that the agency is being intentionally dismantled — a move that some aid officials argue would have massive negative implications.

Aid officials argue the State Department isn't equipped to take over and sustain USAID's vast number of development projects. It would also erase, they argue, unique and essential soft power that can't be replicated.

The State Denartment docen't "have the canacity the expertise the training to do that kind

of work. It is a completely separate line of effort that is undertaken on the ground," a former senior USAID official said.

"The one element of the US government bureaucracy on the ground in foreign places that has been able to get out beyond the wire and actually have a deeper understanding of the places in which we work is USAID," the former official continued, requesting anonymity due to growing and widespread fears of being targeted by the Trump administration.

"That ability to work in that way, that culture — and it is a culture I think — gets lost. And with it, I think we lose an enormous, incredibly valuable tool of US foreign policy. We're basically going to be punching with one arm behind our back," the person said.

This story and headline have been updated with additional reporting.

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## Two top security officials at USAID placed on leave, sources say

By Margaret Brennan, Sophia Barkoff, Jennifer Jacobs, Sara Cook Updated on: February 3, 2025 / 12:15 PM EST / CBS News

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Two top security officials at the U.S. Agency for International Development have been placed on administrative leave, the latest in a series of suspensions and layoffs at the American government's primary humanitarian aid agency.

President Trump is considering dramatic changes to USAID, as advisers examine where there's overlap with other agencies or where its spending runs counter to the president's stances.

USAID Director for Security John Vorhees and Deputy Director for Security Brian McGill were put on leave Saturday night, two sources confirmed to CBS News.

Multiple sources confirmed to CBS News that the two top security officials were fired for attempting to block the Elon Musk-run Department of Government Efficiency's (DOGE) access to classified material in restricted areas. The reason for the firing was first reported by the <u>Associated Press</u>.

DOGE spokesperson Katie Miller did not respond to requests for comment, but did <u>repost the AP article on X</u> with the comment, "No classified material was accessed without proper security clearances."





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Matt Hopson, who was recently appointed USAID chief of staff by Mr. Trump, resigned Sunday, according to two current USAID staffers. There was no mass email about it. The staffers said it happened after his involvement, alongside the two other security staffers, in blocking DOGE officials from getting access over the weekend.

Vice President JD Vance is in charge of figuring out next steps for USAID reform, per one person familiar with Trump's decision. A spokesperson for Vance declined to comment.

Mr. Trump told reporters Sunday night upon returning to Washington, D.C., from Palm Beach, Florida, that USAID has been run by "a bunch of radical lunatics."

"We're getting them out," he said, "and then we'll make a decision."

No executive order was imminent – officials are still in the planning phase, sources said last week. But the president is interested in reforming the agency, they said.

One option is to possibly fold it into the State Department, but other possibilities are on the table, two sources told CBS News.

Republican Rep. Brian Mast, chairman of the House Foreign Affairs Committee, which provides oversight of the State Department, said Sunday on "Face the Nation with Margaret Brennan" that USAID is "likely going to be rolled more closely under Secretary Rubio." USAID already reports to the Secretary of State but the Trump administration is looking at ways to combine it or fold it into the State Department.

On Monday, <u>USAID employees were instructed</u> to stay out of headquarters, and staffers who came by the agency's annex to get their belongings found that turnstiles had been turned off and they were escorted from the building.

Mast did not detail what specific changes will be made but indicated that he intends to initiate changes via Congress as well. USAID was established in 1961 by an act of Congress.

"I would be absolutely for, if that's the path we go down, removing USAID as a separate department, and having it fall under whether the other parts of the United States, Department of State, because of its failure," Mast claimed on "Face the Nation."

CBS <u>previously reported</u> that the person heading up the efforts to reshape USAID is Pete Marocco, a former deputy assistant secretary of African Affairs at the Pentagon. Marocco is now serving in a senior directing role in the State Department's Foreign Assistance Office, which oversees foreign assistance programs administered by the State Department and USAID.

Freezing foreign aid was a Trump campaign promise to only support efforts that serve America's national security interest and to cut costs. However, foreign aid makes up just 1% of the federal budget.

U.S. foreign aid agencies <u>almost never</u> directly implement aid programs, choosing to partner with non-governmental organizations, public international organizations, and sometimes foreign governments to carry them out. The Trump administration's 90-day freeze on almost all foreign aid means that these contractors are not being paid for work already in progress.

With no indication that the aid freeze will be lifted soon, contractors are furloughing and/or terminating employees en masse.

An aid worker with contracts around the world told CBS that organizations are expecting to face lawsuits in foreign countries from governments who consider them in breach.

### USAID viewed by some Trump officials as too influenced by "woke" politics

Some top officials in the Trump administration view USAID, created by President John F. Kennedy to counter Cold War geopolitics, as an agency that has become overly influenced by leftwing and "woke" politics. They had privately voiced concerns that

it hasn't had enough oversight, including from Congress.

Some in the administration, including Musk, have argued that Trump should shut USAID down altogether. On Sunday, Musk posted on his social media platform X: "USAID is a criminal organization. Time for it to die."

But not all of Trump's top advisors agree with Musk, multiple sources said.

## USAID website goes dark, multiple aid agencies say they are hobbled by funding freeze

The USAID website went offline on Saturday, and remained inaccessible on Sunday. Dozens of employees in the legislative and public affairs offices at the agency suddenly lost system and email access on Saturday night, three sources told CBS News.

Trump officials want to look into ways to streamline programs with a footprint in more than one government agency. USAID also contracts with multiple non-profits to implement programs.

As the Trump administration weighs restructuring USAID, the humanitarian aid program that does everything from funding polio and malaria eradication efforts overseas to emergency response to natural disasters, and removing old U.S. bombs from battlefields, aid organizations told CBS News that they are already preparing to lay off thousands of U.S. based aid workers this week.

Multiple aid organizations told CBS News that they are hobbled by Trump's funding freeze as contractors front money for projects and then apply for reimbursement from the U.S. government. As a result, the stop work order issued by Secretary of State Marco Rubio triggered financial crises at these international organizations who are also unable to receive backpay for work already performed, multiple aid organizations told CBS news.

Tom Hart, President and CEO of InterAction told CBS News that even after Rubio issued waivers to some organizations, the changes have not resulted in a flow of funds.

"The current reality is life-saving medications expiring on shelves while children fall ill. Food aid rotting in warehouses while families go hungry. This isn't just a humanitarian catastrophe—it's an unconscionable waste of taxpayer resources that undermines America's investments in global stability and human dignity."

"This disruption is upending relationships built with communities over the last 60 years—relationships the Administration may find hard to restore after its review," Hart said.

The Trump administration has disrupted operations at organizations that also seem to be consistent with the America First agenda and efforts to stem illegal migration to the U.S. CBS News obtained a list of 13 organizations in El Salvador, Honduras, Mexico, Colombia and Guatemala whose efforts are aimed at countering factors that drive migration. In El Salvador, the Skills for Employment project helps some 12,000 Salvadorans get jobs so they don't migrate to the U.S. In Honduras, Effective Justice combats organized crime networks. In Colombia, the Venezuelan response ensures migrants do not migrate illegally to the U.S.

#### **Concerns over PEPFAR**

Another program, PEPFAR, the President's Emergency Plan for AIDS Relief, received a waiver to resume specific types of operations within their broad portfolio of AIDS relief and HIV services, three sources confirmed this weekend to CBS News. Health officials indicated that they are still waiting to see how narrowly the services will be defined including the question of whether it will include preventative treatments. Former aid officials shared concerns that global health programs are not yet turned back on, including those aimed at preventing malaria and tuberculosis.

"This is not a pause, it is a demolition," Atul Gawande, former USAID Global Health Director, told CBS News. "You cannot pause a flight in midair, that's what they're trying to do."

The Trump administration has stipulated the review is to last 90 days but the stop work order from Rubio immediately ceased operations for many organizations. Since the freeze is taking place while the review is being conducted, it has caused an immediate disruption with real world impact such as disruption of anti-viral medication to HIV positive individuals, including children.

"There was a release of that hold that was put, that was authorized, but it shouldn't be the case that the American people fund HIV and AIDS drugs for 20 million people across Africa, where many of these countries are working very directly with our adversaries, like China," Mast told "Face the Nation," confirming portions of PEPFAR had resumed. But he referred to it as a "grift" and raised questions about its fate.

"That is an example of them taking us for granted," Mast said. "We need to be asking the question, should they be weaning off of this, should we be paying for these very expensive HIV and AIDS drugs?"

But these efforts have been deemed in U.S. national security interests by multiple presidents, and a type of "soft power" that wins goodwill for the U.S. in the competition for influence against adversaries. It is now China, but during the Cold War when the established the prime competition was the Soviet Union, USAID efforts were effective in Eastern Europe and elsewhere.

CBS News <u>reported last week</u> that roughly 450 contractors were terminated from the Bureau for Global Health, which is responsible for overseeing the implementation of PEPFAR. More federal employees in the Global Health bureau have since been placed on administrative leave, raising concerns about how these programs will be implemented, despite the foreign assistance waiver for HIV/AIDS programs.

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#### **USAid**

#### Doge v USAid: how Elon Musk helped his acolytes infiltrate world's biggest aid agency

Exclusive: Takeover of USAid agency by Doge operatives seen as pilot for large-scale overhaul of federal government



People protest outside USAid's headquarters in Washington DC on 3 February 2025. Photograph: Mandel Ngan/AFP/Getty Images



#### Andrew Roth in Washington

USAid security personnel were defending a secure room holding sensitive and classified data in a standoff with "department of government efficiency"

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Zoe Williams

employees when a message came directly from Elon Musk: give the Doge kids whatever they want.

Since Donald Trump's inauguration last month, a posse of cocksure young engineers answering to Musk have stormed through Washington DC, gaining access to government computer systems as part of what Senator Chuck Schumer has called "an unelected shadow government ... conducting a hostile takeover of the federal government".

The young men, who are all under the age of 26 and have almost no government experience, have tapped into the treasury department's federal payment system and vacuumed up employment histories at the office of personnel management (OPM). Roughly 20 Doge employees are now working out of the Department of Education, the Washington Post has reported, and have gained access to sensitive internal systems there too. On Wednesday, the Wall Street Journal reported they had infiltrated the Centers for Medicare and Medicaid Services and accessed key systems as well.

The young engineers, whose identities have been confirmed to the Guardian, wanted the same at <u>USAid</u>. One of them, Gavin Kliger, was a 25-year-old techie who has defended the failed attorney general nominee Matt Gaetz as a <u>victim of the "deep state"</u> and claimed he had left behind a seven-figure salary to join Doge and "save America". Another, Luke Farritor, 23, was a former SpaceX intern who had been given top-level clearances to USAid systems and had requested similar to Medicare and Medicaid. A third, Jeremy Lewin, was reportedly assigned to the General Services Administration. A superior planned to lobby the CIA for a clearance for him after he failed to gain access to a secure area.

Some US officials had begun calling the young engineers the "Muskovites" for their aggressive loyalty to the SpaceX owner. But some USAid staff used another word: the "incels".

The Guardian has identified three calls by Musk to USAid's political leadership and security officers in which he demanded the suspensions of dozens of the agency's leading officials, and cajoled and threatened senior USAid officials to give his acolytes private data and access to restricted areas. At one point, he threatened to call in the US Marshals Service.

One USAid employee said that the calls by Musk, two of which have not been previously reported, showed he had effectively usurped power at the agency even from the Trump administration's political leadership. "Who is in control of our government?" the person said. "[Doge] basically showed up and took over."

In the Heritage Foundation's Project 2025, USAid had been presented as a pilot test for a large-scale overhaul of the federal government that would downsize agencies and arbitrarily move federal employees to looser contracts that made them easier to fire.

"If the <u>Trump administration</u> is successful here, they're going to try this everywhere else," said Senator Andy Kim of New Jersey, a former USAid employee who came to protest alongside fired and furloughed workers outside the agency's headquarters on Monday. "This is just the beginning."



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'This is a coup': Trump and Musk's purge is cutting more than costs, say experts



Trump administration files first supreme court appeal over firing of government watchdog ⚠ A building security officer stands at a checkpoint in the lobby of the USAid office in Washington. Staffers have been instructed via an email to stay out of the agency's headquarters. Photograph: Shawn Thew/EPA

But it has also been a primer on how Doge operatives have inserted themselves into federal agencies and cajoled and bullied their way to access their most sensitive systems. This account of Doge's infiltration of USAid is based on interviews with more than a dozen current and former USAid, state department and other officials briefed on the events of the last week.

Security staff initially rebuffed the engineers' efforts to talk their way into the secure rooms, called sensitive compartmented information facilities (Scifs), because they didn't have the necessary security clearances. But that evening, Musk phoned a senior official at USAid to demand access for his subordinates, the first of numerous calls to officials and employees of Doge at USAid that have continued into this week.

Inside the building, chaos reigned. Areas that were once declared restricted, with limitations on electronics such as phones and watches, suddenly loosened their security protocols to allow in uncredentialed outsiders. Doge employees were said to obscure their identities to prevent online harassment, a tactic that was repeated at other agencies. And Peter Marocco, the controversial new director of foreign assistance at the state department, was stalking the halls and meeting in private with the Doge employees.

By Friday, things had gone further downhill. After a tense all-hands meeting with senior staff, and outsiders in the sixth-floor conference room, the young engineers rushed around the offices with their laptops, plugging cords into computers and other electronics as they gathered data from the agency.

After the meeting, Matt Hopson, a Trump appointee for USAid chief of staff, abruptly resigned. Jason Gray, the acting administrator, was removed from his position. The secretary of state, Marco Rubio, was soon to announce that he was the new administrator of USAid and appoint Marocco as his deputy. Musk was closing in on his goal.

The Doge employees had open access to rooms throughout the sixth floor, including the offices of the administrator's suite. But the Scifs were still off limits.

At USAid, a newly installed leadership was formally in charge. But the real power lay with Marocco and Doge, which was plotting how to wind down the agency, a plan that Trump endorsed on Tuesday afternoon as he confirmed that teams were backed by the White House. That evening, USAid announced it would put all its direct-hire personnel around the world on administrative leave, a decision that would affect thousands of employees and their families.

Inside of USAid, the operation to shut down the decades-old operation was being run by Marocco, four engineers in their early 20s and the Doge leadership that contacted them by phone.

"It's all being driven through Doge right now," said a current USAid official, adding that Doge engineers in USAid headquarters continued to field calls from Musk and Marocco on Monday. "The folks in the building are turning the system off for [USAid employees], they've kept a small number of people from the different bureaus to help understand what programs will be kept and not kept, what the footprint will look like."

➡ Signage for USAid is seen on a cargo container behind people sorting through salvageable items to be sold to junk shops in Manila, Philippines, on Monday. Photograph: Jam Sta Rosa/AFP/Getty Images

The tension at USAid headquarters came to a head on Saturday evening, when Doge employees demanded access to the Scif on the agency's sixth floor. They were stopped by the agency's top security officer, John Voorhees.

Among those present was Steve Davis, according to one current and one former USAid official. Davis, a Musk deputy, has worked with the billionaire for more than 20 years at SpaceX and the Boring Company. He reportedly sometimes slept in the Twitter offices to help Musk slash costs there after he acquired it in 2022.

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The argument over access to the Scif had grown verbally heated and senior Doge staff threatened to call in US marshals to gain access to it. During that standoff, according to one account made to the Guardian, a call was again made to Musk, who, as Bloomberg first reported, repeated the threat to involve the US Marshals Service.

Shortly after, Voorhees was placed on administrative leave and the Doge staffers entered the Scif. They took over the access control system and employee records. Within hours, the USAid website went down. Hundreds of employees were locked out of the system that weekend, and many still don't know their status. (The Guardian has seen emails in which USAid administrators admit they do not know the employment states of current USAid officials.)

"I've been furloughed, I guess?" said one contractor with 15 years of experience for the bureau for humanitarian assistance, where she had helped coordinate urgent responses in Ukraine, Gaza, Somalia and Latin America. "I don't know what my status is but I don't think I work here right now."

By Monday, Kliger wrote an email to all staff at 12.42am to tell them not to bother coming into the building that day.

The incident has illustrated how Doge employees with Musk's backing were able to override USAid leadership and bypass government procedures for accessing restricted areas with classified materials, fueling criticism that his agency is a national security risk.

"Did Secretary Rubio allow this kind of access by Musk's employees?" asked Kim. "It worries me about USAid but if it's happening here, I'm guessing it's probably happening at all these other national security agencies."

Formally, Rubio has delegated responsibility to Marocco, who has been pressed by congressional staffers to give details of the changes affecting USAid and the \$40bn in foreign aid it manages each year.

"The question at hand is: who's in charge of the state department?" Senator Brian Schatz told the Guardian. "So far the answer has been Pete Marocco."

Doge did not respond to questions about what security clearances, if any, the engineers held. "No classified material was accessed without proper security clearances," wrote Katie Miller, a Doge spokesperson, on social media.

But Scifs are regulated by a strict protocol and it is unclear who could have verified the Doge employees' credentials and filed the necessary paperwork

to allow them to enter.	
Inside the building, staffers said that Doge cultivated a culture of fear.	
"It's an extreme version of 'who do you trust, when and how?'" said Kristina Drye, a speechwriter at the agency, who watched dozens of senior colleagues escorted out of the building by security. "It felt like the Soviet stories that one day someone is beside you and the next day they're not."	
People started meeting for coffee blocks away because "they didn't feel safe in the coffee shops here to even talk about what's going on", she added.	
"I was in the elevator one morning and there was an older lady standing beside me and she had glasses on and I could see tears coming down under her glasses and before she got off her elevator she took her glasses off, wiped her eyes, and walked out," she said. "Because if they see you crying, they know where you stand."	

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#### USAID website goes dark, staff emails deactivated amid DOGE takeover, source says

DOGE workers' access to USAID systems signals an uncertain fate for the development agency.

BY REBECCA HEILWEIL • FEBRUARY 2, 2025

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A view of the USAID sign above the entrance of the Ronald Reagan Building and International Trade Center in Washington, D.C. (Getty Images)

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BY MADISON ALDER

he main website for USAID went offline this weekend and thousands of staffers may have lost access to their email accounts amid <u>rumors</u> that the Trump administration intends to eliminate the agency.

The website went dark after staffers associated with the Elon Musk-led Department of Government Efficiency gained access to the domain and then blocked USAID employees, a person familiar with the matter told FedScoop. The source said around 2,000 email accounts associated with USAID workers have since been deactivated.

USAID did not respond to a request for comment by the time of publication.

The news follows a massive and sudden pause on American international aid that's shaken global development groups charged with disbursing critical and life-saving resources.

DOGE staffers have reportedly taken over other computer systems in the government, including in the <a href="Office of Personnel Management">Office of Personnel Management</a> and the <a href="Treasury Department">Treasury Department</a>. The Trump administration has pulled down other government websites in recent days, including a <a href="Centers for Disease Control and Prevention data page">Office Personnel Management</a> and Census.gov, though both were later restored.



#### Written by Rebecca Heilweil

Rebecca Heilweil is an investigative reporter for FedScoop. She writes about the intersection of government, tech policy, and emerging technologies. Previously she was a reporter at Vox's tech site, Recode. She's also written for Slate, Wired, the Wall Street Journal, and other publications. You can reach her at rebecca.heilweil@fedscoop.com. Message her if you'd like to chat on Signal.

#### In This Story

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)

DEPARTMENT OF GOVERNMENT EFFICIENCY (DOGE)

#### **More Scoops**



DOGE 'touch-base' sessions preceded probationary term says

BY CAROLINE NIHILL



#### Student group asks federal court to halt DOGE access to Education Department data

The complaint from the University of California Student Association asks the court to stop the agency from providing DOGE with unauthorized access to personal and financial information.

BY CAROLINE NIHILL



Across the world, USAID workers' government phones are being disconnected

BY REBECCA HEILWEIL CAROLINE NIHILL



CIOs of USDA, USAID named agency leaders until Trump picks enter office

BY BILLY MITCHELL

Software license purchases need better agency tracking, GAO says

BY MATT BRACKEN

#### **Trump administration**

## USAid website offline as Trump moves to put agency under state department

Move would threaten life-saving global humanitarian aid programs, from HIV/Aids treatments to clean water access



➡ The USAid flag outside the USAid building in Washington DC on 1 February 2025. Photograph: Annabelle Gordon/Reuters

#### **Edward Helmore**

Sat 1 Feb 2025 17.09 EST

The website for the US Agency for International Development, or USAid, appeared to be offline on Saturday, as the <u>Trump administration</u> moves to put the free-standing agency, and its current \$42.8bn budget for global humanitarian operations, under state department control.

A message stating that the "server IP address could not be found" appeared when attempts were made to access the website on Saturday.

Two sources familiar with the discussions told Reuters on Friday that the Trump administration was moving to strip USAid of its independence as a government agency and put it under state department control.

The apparent failure of the website comes after plaques embossed with the agency's official seal were removed on Friday, according to Reuters, a sign that the merger into the state department was in the works.

The move comes as the Trump administration has vowed to overhaul the distribution of foreign aid, saying last week it was freezing foreign aid while conducting a review to ensure that assistance worldwide is aligned with Trump's "America First" foreign policies.

Current and former USAid officials said this week that a purge of senior staff

#### **Most viewed**



The new world order is exactly what it looks like. Are we too frozen with fear to name it? appeared designed to silence any dissent and that bringing the agency under the state department would be a "seismic shift".

"This moves the United States government to a place where the humanitarian voice will not be in high-level policy discussions," the official said.

In an opinion column in the Wall Street Journal, the US secretary of state, Marco Rubio - who would assume oversight over USAid if it were or had been placed under the state department - outlined a new US diplomatic focus on the western hemisphere.

Rubio said he would make his first trip as the nation's most senior diplomat to El Salvador, Guatemala, Costa Rica, Panama and the Dominican Republic.

"These nations were neglected by past administrations that prioritized the global over the local and pursued policies that accelerated China's economic development, often at our neighbors' expense," Rubio wrote.

Reuters reported that the White House was exploring legal authority that Trump could use to issue an executive order to end USAid's independence and that he could sign such a directive as soon as Friday night or Saturday.

"Watch USAID tonight," Chris Murphy, a Democratic senator and member of the Senate foreign relations committee, said in a post on X on Friday evening.

Chuck Schumer, the Senate minority leader, citing a "rumor" that Trump planned to dissolve USAid as an independent agency, said in an X post that such a move would be "illegal and against our national interests".

But it is unclear whether the president has the legal authority to bypass Congress and order USAid's merger into the state department.

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If placed under the state department, USAid could become a more explicit armature of foreign policy goals than it has been as the world's largest single donor of life-saving humanitarian operations.

USAid has in the past been able to assist countries with whom the United States has no diplomatic relations, including Iran. A source at the agency told Reuters that the non-alignment with the US diplomatic mission had helped build bridges that might not have come to be under purely political objectives.

Perhaps signaling the new administration's plan to fold the agency under the



A 'great shock': Julianne Moore's children's book under review by Trump administration



Jewish man mistakes two Israeli tourists for Palestinians and opens fire on them in Miami



'This is a coup': Trump and Musk's purge is cutting more than costs, say experts



Trump administration files first supreme court appeal over firing of government watchdog state department, Trump has not nominated a person to run USAid.

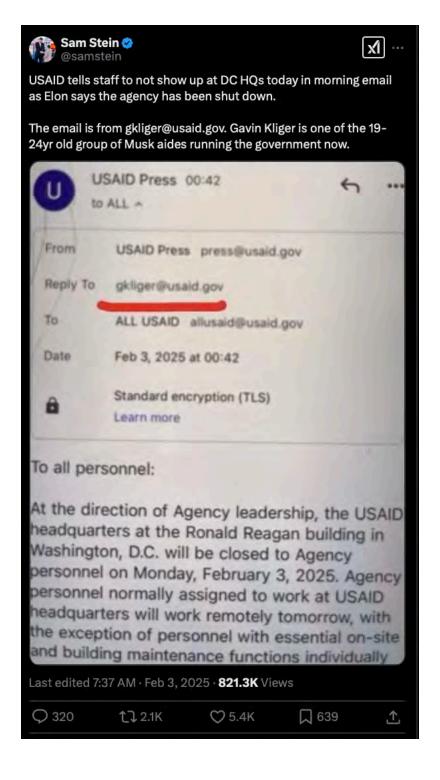
The costs of a freeze on US foreign aid grants is already being felt. Field hospitals in Thai refugee camps, landmine clearance in war zones, and drugs to treat millions suffering from diseases such as HIV are among the programs facing defunding.

In fiscal year 2023, the United States disbursed \$72bn of assistance worldwide on everything from women's health in conflict zones to access to clean water, HIV/Aids treatments, energy security and anti-corruption work. It provided 42% of all humanitarian aid tracked by the United Nations in 2024.

Following Trump's executive order last week, the state department issued worldwide stop-work directives, effectively freezing all foreign aid with the exception of emergency food assistance in a move that experts warned risked killing people.

Rubio earlier this week issued an additional waiver for "life-saving humanitarian assistance" while Washington undertakes the 90-day review.









## WATCH: Trump makes appearance with Musk, signs executive order downsizing federal workforce

Politics Feb 11, 2025 6:08 PM EST

WASHINGTON (AP) — President Donald Trump made a rare appearance with Elon Musk, his most powerful adviser, in the Oval Office on Tuesday before signing an executive order to continue downsizing the federal workforce.

#### Watch Trump and Musk speak to the media in the player above.

The Associated Press reviewed a White House fact sheet on the order, which is intended to advance Musk's work slashing spending with his Department of Government Efficiency.

Musk said there are some good people in the federal bureaucracy but they need to be accountable and called it an "unelected" fourth branch.

"The people voted for major government reform and that's what the people are going to get," he said. "That's what democracy is all about."

It was Musk's first time taking questions from reporters since he joined the Trump administration as a special government employee with sprawling influence over federal agencies. He's also the world's richest person and the owner of X, the social media platform formerly known as Twitter.

Despite concerns that he's amassing unaccountable power with little transparency, Musk described himself as an open book. He joked that the scrutiny was like a "daily proctology exam."

The White House fact sheet said that "agencies will undertake plans for large-scale reductions in force and determine which agency components (or agencies themselves) may be eliminated or combined because their functions aren't required by law."

It also said that agencies should "hire no more than one employee for every four employees that depart from federal service." There are plans for exceptions when it comes to immigration, law enforcement and public safety.

Trump and Musk are pushing federal workers to resign in return for financial incentives, although their plan is currently on hold while a judge reviews its legality. The deferred resignation program, commonly described as a buyout, would allow employees to quit and still get paid until Sept. 30. Administration officials said more than 65,000 workers have taken the offer.

Hundreds of people gathered for a rally Tuesday across the street from the U.S. Capitol in support of federal workers.

Janet Connelly, a graphic designer with the Department of Energy, said she's fed up with emails from the Office of Personnel Management encouraging people to take the deferred resignation program.

She tried to use her spam settings to filter out the emails but to no avail. Connelly said she has no plans to take the offer.

"From the get-go, I didn't trust it," she said.

Connelly said she thinks of her work as trying to do an important service for the American public.

"It's too easy to vilify us," she said.

Others have said fear and uncertainty have swept through the federal workforce.

"They're worried about their jobs. They're worried about their families. They're also worried about their work and the communities they serve," said Helen Bottcher, a former Environmental Protection Agency employee and current union leader in Seattle.

Bottcher participated in a press conference hosted by Sen. Patty Murray, a Democrat from Washington.

Murray said workers "deserve better than to be threatened, intimidated and pushed out the door by Elon Musk and Donald Trump." She also said that "we actually need these people to stay in their jobs or things are going to start breaking."

A government lawyer, who spoke to the Associated Press on the condition of anonymity because of fears of retaliation, said it was a terrifying time to be a federal worker.

She said people are worried that their phones and computers are being monitored. She's a single mother with a young daughter, and her father is urging her to take a safer job in the private sector.

But she's skeptical of the deferred resignation program, emphasizing that accepting the offer means workers can't sue if they're not paid what they're promised.

The idea, she said, was insane.

AP writers Martha Bellisle in Seattle, Rebecca Santana, Michelle L. Price and Brian Witte in Annapolis, Maryland contributed to this report.

By — Chris Megerian, Associated Press

2/17/25, 9:35 PM DOGE-Backed Halt at CFPB Comes Amid Musk's Plans for 'X' Digital Wallet - Bloomberg 207



The lobby of the US Consumer Financial Protection Bureau headquarters as a worker removes belongings from the building in Washington on Feb. 9. *Photographer: Stefani Reynolds/Bloomberg* 

Politics + Technology

#### DOGE-Backed Halt at CFPB Comes Amid Musk's Plans for 'X' Digital Wallet

Government-efficiency team's initial 'read-only' access expanded quickly to encompass closely guarded data, internal emails say.

By <u>Jason Leopold</u> and <u>Evan Weinberger</u>

February 10, 2025 at 5:00 AM EST

In another weekend takeover of a federal agency's operations, staffers from a efficiency initiative led by billionaire Elon Musk helped to effectively shut down the Consumer Financial Protection Bureau – as they gained access to a array of the bureau's protected information.

The actions began last Thursday, when four young staffers working under Musk for the Department of Government Efficiency, or DOGE, showed up at CFPB's Washington headquarters. At first, they had what was described as read-only access to a limited array of documents, including the agency's



2/17/25, 9:35 PM

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MAKENA KELLY DHRUV MEHROTRA POLITICS FEB 11, 2025 10:41 PM

#### **Dozens of CFPB Workers Fired in After-Hours Blitz**

Some affected employees of the Consumer Financial Protection Bureau were notified with an email that addressed them as [EmployeeFirstName] [EmployeeLastName], [Job Title], [Division].



The US Consumer Financial Protection Bureau headquarters in Washington, DC. PHOTOGRAPH: GETTY IMAGES



Dozens of <u>Consumer Finance Protection Bureau employees</u> were terminated on Tuesday evening, sources tell WIRED.

The cuts largely targeted contractors and so-called probationary employees, workers who have served less than two years at the agency. Sources tell WIRED that the CFPB's enforcement division was hit hard, but it's unclear how many employees were let go.

Politics Lab Newsletter by Makena Kelly
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Workers were informed that they had been fired with a frenetic email delivered around 9 pm ET on Tuesday. An evidently failed mail merge meant that some affected employees were addressed as [EmployeeFirstName][EmployeeLastName], [Job Title], [Division].

"This is to provide notification that I am removing you from your position of [Job Title] and federal service consistent with the above references," the email from acting chief human capital officer Adam Martinez says. "Unfortunately, the Agency finds that that [sic] you are not fit for continued employment because your ability, knowledge and skills do not fit the Agency's current needs."

Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 204 of 397 The firings follow a tumultuous few days at the CFPB. On Friday, staff for Elon Musk's Department of Government Efficiency shut down a portion of the agency's homepage after a day of struggling to obtain access to the CMS and other systems. WIRED reported last week that three DOGE staffers, including Gavin Kliger and Nikhil Rajpal, were given access to the CFPB's HR, procurement, and financial infrastructure. The DOGE workers were later granted access to all of the agency's systems on Friday, Bloomberg reported this week, including bank examination and enforcement records.

Later on Friday evening, Russell Vought—President Trump's newly confirmed director of the Office of Management and Budget—took over as the acting administrator for the CFPB late Friday evening, as first reported by <a href="The Wall Street">The Wall Street</a> <a href="Journal">Journal</a>. Soon after, DOGE staff began sending out email requests asking CFPB managers to give Kliger additional access to agency systems, including physical access control system, payroll processing systems, and the ability to edit the CFPB's website, sources tell WIRED.

Just before 10:30 pm ET on Friday, sources say, someone who appeared to have administrative privileges accessed the agency server using Secure Shell, a protocol that allows remote control of a computer over a network. Bypassing the content management system, they unpublished the homepage file, causing a portion of the CFPB homepage to display a "404: Page not found" notice typical of a website that has been deleted or is otherwise missing. The remainder of the site was functional, including submission forms for industry whistleblowers and consumer complaints.

Around 11 pm on Friday, the CFPB's X account disappeared, and shortly after, according to a CFPB staffer, DOGE left the building.

CFPB sources who spoke to WIRED described being blindsided by the DOGE staffers. "They said they would follow protocol but repeatedly did not," one says, noting that the level of access these staffers have could allow them to lock others out of the building, take down the website, and "obstruct the bureau's ability to carry out its mandate."

2/17/25, 9:40 PM Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 205 of 397

#### Got a Tip?

Are you a current or former government worker with insight into what's going on? We'd like to hear from you. Using a nonwork phone or computer, contact the reporters securely using a personal device on Signal at makenakelly.32 and dmehro.89.

One source at CFPB on Friday says they saw two young DOGE staffers wandering through the halls of the building trying to open doors.

"DOGE pulled a Darth Vader in cloud city where they came in promising to respect our rules and ask for read access and then tonight [Friday] at 6 they took a heel turn and demanded website access," another CFPB source told WIRED at the time.

In a pair of emails sent Saturday and Monday, Vought effectively ordered all work at the agency to stop, freezing various enforcement efforts and work on <u>regulations</u> that would affect payment programs run by Big Tech companies.

The CFPB has long been a target of both Elon Musk and conservatives more broadly; the Project 2025 chapter on financial regulatory agencies describes it as "a highly politicized, damaging, and utterly unaccountable federal agency" and calls to have it abolished. Musk wrote "RIP CFPB" with a gravestone emoji in an X post Friday afternoon. In November, he posted "Delete CFPB." There are around 1,700 employees in <u>total</u> at the agency.

The CFPB was established by the 2010 Dodd-Frank Act, a sweeping piece of legislation that imposed significant regulatory reform in the wake of the 2008 financial crisis. Its remit is to protect consumers from unfair or deceptive financial practices, and the agency <u>claims to be</u> responsible for \$19.7 billion in consumer relief since its inception, as well as \$5 billion in civil penalties.

Some of those wins have come against payment processors including Block, which last month was <u>ordered</u> to pay \$175 million in penalties for allegedly failing to sufficiently protect users of its Cash App from fraud. The CFPB also has an active <u>lawsuit</u> against JPMorgan Chase, Bank of America, and Wells Fargo for similar alleged failures on their shared payment app Zelle. Elon Musk will soon be in the peer-to-peer payments business as well, after X entered a <u>partnership</u> with Visa in late January.



### **RollingStone**

'CONFLICT OF INTEREST'

## INSIDE TRUMP AND MUSK'S WAR ON THE CONSUMER FINANCIAL PROTECTION BUREAU

Taking cops off the beat could be America's loss, and Trump and Musk's personal gain

By TIM DICKINSON, ANDREW PEREZ

FEBRUARY 10, 2025



BRANDON BELL/GETTY IMAGES

The new boss at the Consumer Financial Protection Bureau had a jarring message for staffers Monday morning, in an internal memo leaked to *Rolling Stone*: "Stand down from performing any work task."

The message came from <u>Russell Vought</u> — a Project 2025 architect who was confirmed by the Senate last week to lead the Office of Management and Budget in the Trump White House. One of Vought's first official acts was to seize the reins as acting director at CFPB, the agency designed by Congress to safeguard Americans from the predatory practices of <u>Wall</u> <u>Street</u> and other financial malefactors.

The brainchild of now-Sen. Elizabeth Warren, the CFPB is one of the few agencies in Washington whose mission is to protect individual Americans against corporate power. It routinely orders large corporations to refund money to duped and abused consumers — more than \$20 billion over the lifetime of the agency. It also wards against the kinds of systemic risks that led to the financial crisis of 2008.

To insulate CFPB from partisan reprisal, it is funded by the Federal Reserve, meaning that a hostile congressional majority can't zero out its budget. That CFPB's funding mechanism was declared constitutional by the conservative-dominated Supreme Court just last year.

Nuking the CFPB has long been a Republican priority. Project 2025, the conservative policy playbook Vouht played "<u>an indispensable part</u>" in developing, recommends abolishing the bureau, calling it "utterly unaccountable." The Trump administration — marching to the tune of the de-facto head of government <u>Elon Musk</u> — is naturally seeking to hogtie the bureau and cut off its funding, moves that experts insist pose a major conflict of interest.

Musk, the world's richest man, wants to transform X (formerly <u>Twitter</u>) into a <u>peer-to-peer payments platform</u>, which would likely subject the company to CFPB <u>regulation</u> — so it's no surprise he sees the bureau as a bugbear. He sicced his so-called Department of Government Efficiency (DOGE) minions on the agency last week, before tweeting out "<u>CFPB RIP</u>" adding a headstone emoji.

#### **EDITOR'S PICKS**



The 100 Best TV Episodes of All Time





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The 200 Greatest Singers of All Time

"It's the USAID playbook," a CFPB lawyer tells *Rolling Stone*, referring to the foreign aid agency Musk helped send through the "wood chipper" last week, shutting down <u>life-saving</u> relief operations across the globe.

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"Withdrawing rules that haven't gotten into effect yet is not surprising or shocking to anyone," says the lawyer, who spoke on condition of anonymity to avoid reprisal.

But Vought has also taken CFPB examiners out of the field, a move the lawyer likens to taking cops off the beat. "It means that the CFPB is not going to uncover consumers being harmed," he says. That includes people having their cars wrongly repossessed, debtors being charged abusive fees that keep them paying down their loans, and people with disabilities wrongly being denied student loan forgiveness.

The CFPB is a unique agency, but the bureau lawyer draws a parallel to food safety: "The USDA secretary doesn't need to pause meat inspections when they take office," he says. "It suggests to me that they intend to fully cease operations."

Monday's order for employees to "stand down" adds to a sense of dread around the bureau's future. "There was still work to do," the attorney says, ranging from resolving "legal questions around how to comply with executive orders" to managing vendors or responding to public record requests under the Freedom of Information Act (FOIA).

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Vought <u>tweeted</u> Sunday that CFPB has become "a woke & weaponized agency" adding: "this must end." He also announced that he is turning off the "spigot" to the CFPB — by refusing to draw new funding from the Federal Reserve, on the logic that the CFPB current cash-on-hand is "<u>excessive</u>." (The bureau's roughly \$700 million reserve represents less than a year of funding; Musk has called on that money to be "**returned**.")

With Vought sending CFPB staffers home and barring them from conducting work, the acting director has also cleared the field for Musk's <u>controversial</u> <u>band of DOGE bros</u> to

Musk, according to the bureau lawyer.

"If I were a potential competitor of Elon Musk's planned payment app, I would be concerned about DOGE having access to my confidential supervisory information," the lawyer says, using agency jargon for proprietary business information. This can include balance sheets, risk-management practices, and other "extremely private" information that is not releasable under FOIA. "Now Elon Musk gets to look at all of that," the lawyer asserts.

With communications staff idled, *Rolling Stone* reached out to Mark Paoletta, whom Vought identified in Monday's memo as CFPB's chief legal officer. Paoletta was <u>reportedly</u> responsible for issuing the controversial, now court-enjoined, Trump administration memo implementing a sweeping federal spending freeze. (He is also a close friend and vigorous defender of Supreme Court Justice Clarence Thomas.) Paoletta did not immediately respond to *Rolling Stone* questions.



A recent-former CFPB staffer echoes the concerns of the bureau lawyer that DOGE could misuse records that are intended to be confidential. Julie Margetta Morgan was an associate director of research, monitoring, and regulations with the bureau. She warns that Musk may now have "access to data about his competitors in a way that gives him a massive advantage."

Morgan adds that CFPB shutdown is rife with "conflict of interest" that runs all the way to the top. "You have multiple players in the Trump administration — including the president

consumers, and a major upside for key players in the Trump administration."

Notably, the Trump family has made recent moves into the financial sector, infamously <u>issuing crypto meme coins</u> and launching <u>World Liberty Financial</u>, a firm that describes its mission as "dismantling the stranglehold of traditional financial institutions."

Speaking about Musk's platform X and other Big Tech firms, Morgan says: "They want to play in the financial services space, but they don't want to play by the same set of rules. They simply do not think that ought to be regulated by the same institutions that regulate big <u>banks</u>."

The assault on CFPB is just an opening salvo in a broader battle against financial regulation, Morgan warns. "It's about opening the floodgates for big banks to have their way on financial services. It's incredibly dangerous, both for individuals and for the economy as a whole," she says, noting that CFPB is intended to help prevent another financial crisis.

Vought's shutdown orders and the intrusion of DOGE into the bureau have already provoked a legal reaction. CFPB union members have filed a pair of federal lawsuits against Vought. One seeks to have a judge enjoin his stop-work order unlawful as a violation of "separation of powers," because Congress sets CFPB's mission. The second seeks to block DOGE from accessing bureau records, including sensitive employee data.

The CFPB lawyer is confident the essential work of consumer protection will be harder to kill than Vought & Co. believe, because the Consumer Financial Protection Act includes a little-known safeguard: "They will regret nuking the CFPB, especially once they realize that states can enforce the [law]."

If the CFPB is hobbled expect states to "pick up the slack," he says. "They won't be as expert or have as many resources, but they would probably hire a bunch of us."

In the meantime there's a personal cost for public employees caught in the crossfire of an ideological war. "It sucks," says the lawyer. "I have kids. These people are trying to make us miserable for no reason."

IN THIS ARTICLE: BANKS, DONALD TRUMP, ELON MUSK, RUSSELL VOUGHT, TWITTER, WALL STREET

2/17/25, 10:05 PM DOGE-Backed Halt at CFPB Comes Amid Musk's Plans for 'X' Digital Wallet - Bloomberg



The lobby of the US Consumer Financial Protection Bureau headquarters as a worker removes belongings from the building in Washington on Feb. 9. *Photographer: Stefani Reynolds/Bloomberg* 

Politics + Technology

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enter the online payments industry, had already predicted the demise of the consumer-watchdog agency. He didn't respond to a request for comment.

The weekend's events came after Russell Vought, who heads the White House Office of Management and Budget, ordered wider access for DOGE, according to an email to CFPB officials that was seen by Bloomberg. Vought sent the email Friday evening, about 90 minutes before news broke that he'd also bee named acting director of the financial-enforcement agency.

Vought is an architect of the Heritage Foundation's influential and controversial government-overhaul plan called Project 2025, which appears t have guided DOGE's attempts to dismantle portions of the federal bureaucracy. Earlier this month, the team played a key role in the administration's effort to <a href="shut down">shut down</a> the US Agency for International Development, another longstanding conservative bête noire.

Bloomberg News sought comment from Musk, Vought, the DOGE team members and the White House. None responded.

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A screenshot of the CFPB website's home page taken on Feb. 9. Source: CFPB

An official website of the United States government

#### 'CFPB RIP'

Project 2025 calls for abolishing the CFPB, which Congress created as a consumer watchdog in the wake of the financial crisis that precipitated the Great Recession. On Saturday night, Vought sent an email instructing its employees to stop "all supervision and examination activity" and "all stakeholder engagement," and he announced that he would decline additionate funding for the bureau, saying its current account balance of \$711.6 million is "excessive." Those steps came one day after Musk posted the message "CFPB RIP" next to a tombstone emoji on his personal X account.

The CFPB is mandated to perform direct supervision on large banks and othe companies it oversees. Supervision in the financial regulatory world means that examiners look under the hood at a company's operations.



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Elon Musk Photographer: Al Drago/Bloomberg

CFPB examiners have access to banks with \$10 billion or more in assets, but they also oversee debt collectors, payday and other online lenders, consumer credit reporting companies, some fintechs and payments processors, and a host of other companies that banking regulators don't monitor. The agency's former director told a congressional panel last year that it had returned \$20.7 billion to consumers since its inception.

The confidential supervisory information CFPB examiners collect is stored or agency laptops and in its internal Supervision Examination System, a Salesforce platform. That data – including customer information and complaints; new products under development but not yet released to the public; and financial information – is valuable and closely guarded, the five people said.

While there's no evidence that DOGE staffers have begun studying any of the examination and enforcement records, employees of the financial-oversight agency questioned the appropriateness of giving the government-efficiency



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#### **DOGE** staffers

DOGE's engagement with the consumer-protection agency unfolded over several days and its scope gradually expanded.

On Friday, four DOGE staffers—Gavin Kliger, Luke Farritor, Nikhil Rajpal and Jordan Wick — were described as needing to be onboarded and provided with complete building access in an email sent to a half-dozen CFPB officials by Chris Chilbert, the agency's chief information officer. Two additional DOGE team members, Christopher Young and Jeremy Lewin, who were provided with CFPB email addresses, were copied on the correspondence.

In the email, which was seen by Bloomberg, Chilbert asked employees to give the DOGE team the benefit of the doubt.

"I know there's a lot going on in the press and on social right now," Chilbert wrote. "It's hard to separate fact from fiction. Please reach out to me anytime you have questions or concerns. I'm very proud of the work we've done to build a strong technology foundation and I think we have a lot of good things we can show" DOGE.

The team's initial entry to CFPB Thursday had been accompanied by an "Assignment Agreement," or a memorandum of understanding between the efficiency initiative and the consumer agency, a copy of which was seen by Bloomberg News. It explained that authority for the CFPB operation emanate from a Jan. 20 executive order. It also said that the scope of the DOGE team's efforts would include, "work on software modernization initiatives," the promotion of "inter-operability between agency networks and systems" and

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interest or confidentiality protocols."

Initially, CFPB officials were told that a DOGE team needed just "read only" access to their human resources, procurement and finance systems. By Frida evening, according to an email sent by Chilbert that was seen by Bloomberg News, Vought had instructed CFPB to give DOGE administrative access – a much broader form of permissioning.

The employees were forwarded an email sent to the agency by Vought. Attached to it was the signed memorandum of understanding.

"I'm sending this e-mail in my capacity as acting director of the Bureau of Consumer Financial Protection," Vought wrote in the email, which was seen l Bloomberg. "See attached letter which has been signed by me. This e-mail als constitutes my authorization to begin work under the agreement."

A few hours later, CFPB's X account was deleted, and the home page of the agency's website was partially dismantled. Visitors to the website now see a "404 page not found" message when visiting the home page, although links to most pages are still accessible.

CFPB employees who read the memorandum of understanding started backchannel discussions about it and raised red flags, according to the five people familiar with the matter. They asked why DOGE would need to access the human resources, finance and procurement data if its goal was to modernize the agency's software, the people said.

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The CFPB headquarters on Feb. 2. Photographer: Al Drago/Bloomberg

#### **Chipotle Order**

The DOGE team were given "senior advisor" titles at the agency and worked from a conference room in the basement of CFPB's headquarters. The CFPB's union attempted to greet them at the door, but the DOGE teams were standoffish and didn't talk to anyone, according to multiple people familiar with the matter. The DOGE employees largely stayed in the basement; one was spotted emerging to pick up a Chipotle order for lunch in the CFPB lobby.

By Saturday afternoon, according to five people familiar with the matter, the DOGE team's administrative access had expanded, giving users the ability to choose which of the agency's internal systems they can explore.

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# **EXHIBIT II**

#### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

**Plaintiffs** 

v.

Case No. 25 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, and the DEPARTMENT OF GOVERNMENT EFFICIENCY,

**Defendants** 

- I, J. Doe 1, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1 I am a plaintiff in this litigation, identified as "J. Doe 1" in the complaint.<sup>1</sup>
- 2. I am a personal services contractor ("PSC") at the United States Agency for International Development ("USAID") and have been with the agency since 2017.
- 3. My role is to coordinate humanitarian assistance. My main duties include managing a portfolio of partners and providing guidance to junior staff. Through work with USAID, I have deployed into dangerous areas around the world, including Pakistan.
- Under the terms of my contract, the government cannot terminate the contract in the 4. middle of the contractual period unless it provides at least 15 days advance notice. I was cut off from access to my work email without any advanced notice.

<sup>&</sup>lt;sup>1</sup> A Motion to Proceed Under Pseudonyms is pending with the Court.

- 5. As of February 17, I have been given access to my USAID email, and my devices and internal systems have been largely restored. However, I do not have access to the USAID financial system, which I previously used as part of my regular duties.
- 6. I have a voucher for reimbursement pending payment. I submitted this voucher for reimbursement to my Contracting Officer on February 7, during the week I was locked out of USAID systems. I was unable to get the approval because my team lead, who needed to sign off on it, was also locked out. The voucher process is separate from our regular payroll. I understand people are not being reimbursed for costs they incurred. If I had been able to send the request that day, it should have been paid by now. Instead, I re-submitted the request during the week of February 10, when my team was back online and my request is still pending.
- 7. I am not currently able to work under my normal conditions.
  - I do not have any emails from the week that I was locked out, which hindered my ability to respond to information requests from my team for the latest status of our partners and programs.
  - b. I have not been permitted to access my office building since January. I have cherished personal items including personal photos, mementos from my time and work abroad, which represent memories of major life experiences, as well as award and training certificates at the office that document professional skills and accomplishments. I am unable to retrieve these items and my understanding is that USAID offices are being physically torn apart and relinquished to other agencies. I have no idea if I will ever see these deeply personal belongings again. This adds insult to the injury that we, as USAID personnel, have already experienced.
  - c. I am no longer able to approve reimbursement for our partner organizations, accept

reports, or provide process guidance, which were part of my regular duties. Many of these partners have emailed with great distress to indicate that though they have waivers or exemptions, they will have to cease programming in the coming weeks due to lack of funds and non-payment from USAID.

- d. There have also been several directives regarding permitted and non-permitted external communications that have impeded my normal duties, including direction not to email or respond to the USAID Office of Inspector General (OIG) office, and only to provide notifications through the online portal.
- e. A small but telling point is that I have also been instructed to enter my hours into my timesheet daily. While this may be normal in many offices, in mine most staff would fill it out at the end of the pay period before the approval deadline. I believe that the direction for daily time accounting is to ensure accuracy of the time records in the case of my sudden placement on administrative leave or termination.
- 8. Many partners have said they will cease programming due to lack of funds and non-payment from USAID.
- As a result of the dangerous nature of my job, specifically my deployment into conflict 9. zones, my personnel and security clearance files contains highly sensitive personal information—social security number, passport information, personal references, foreign contacts, previous addresses, financial records, tattoo descriptions, a safety pass phrase, and my family members' information. I am aware that government workers have, for some illogical reason, become public targets in a fraught environment and have been subject to doxxing, threats, and other harms. I fear that Defendants do not have the security clearance or training needed to

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handle this type of extremely confidential information, and will use it to my and/or my family's detriment.

10. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 17th day of February, 2025.

J. Doe 1

Signed by: J. Doe 1

Signature

# EXHIBIT III

### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

**Plaintiffs** 

v.

Case No. 25 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, *and* the DEPARTMENT OF GOVERNMENT EFFICIENCY,

**Defendants** 

- I, J. Doe 2, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1. I am a plaintiff in this litigation, identified as "J. Doe 2" in the complaint.<sup>1</sup>
- 2. I am an employee at the United States Agency for International Development ("USAID") and have been with the agency for over 10 years.
- 3. My main duties include technological responsibilities related to cybersecurity and privacy. My position involves extensive interaction with USAID's information technology ("IT") infrastructure, including its data security systems.
- 4. On January 30, 2025, I was working from the USAID office when I was told to provide systems access to individuals from DOGE.
- 5. I conducted research and determined that the individuals from DOGE who were trying to get access to these crucial systems have a history of issues with data misuse. I was alarmed and

<sup>&</sup>lt;sup>1</sup> A Motion to Proceed Under Pseudonyms is pending with the Court.

raised this issue with my supervisors, indicating that the DOGE personnel should not obtain access.

- 6. However, I thereafter discovered that the DOGE personnel had already been given access. Furthermore, the DOGE personnel were given root access to USAID systems, the highest level of access one can obtain and which allows a person to take over a system. This includes the ability to modify, add, delete data, and create user accounts.
- 7. On Feb 1, 2025, DOGE personnel who did not have a security clearance, used their administrative rights to grant themselves access to restricted areas requiring security clearance. It is unclear what the DOGE personnel did with that access.
- 8. DOGE personnel have also taken over delegate rights to every USAID mailbox. With this they have the ability to see every email, delete, and send email on behalf of every user within USAID. I am also aware that there is rapid preparation to tear down the USAID network to create a condition where USAID employees will not have access to any facilities nor computing environment.
- 9. All of the classified systems in multiple USAID buildings have been dismantled and are not available to use. If there is information that is being shared with USAID on critical issues occurring around the world of a classified nature, which may only be accessed by USAID staff through the classified systems inside of the USAID systems, that access no longer exists because the IT infrastructure and access no longer exists.
- 10. On February 4, 2025, I was put on administrative leave and lost all access to USAID systems.

- 11 On February 10, 2025, I was allowed back into the USAID system, apparently pursuant to a temporary restraining order in a separate lawsuit between different parties. I currently have access to my USAID email, but other USAID systems have been taken offline.
- 12. I understand that the DOGE personnel have administrative privileges into all the USAID systems and tools and that DOGE personnel took information out of the agency and sent it elsewhere.
- 13. DOGE's actions have caused me emotional injury, as I am aware of the extent of confidential information that has been breached by DOGE, including confidential information of USAID personnel, and the privacy laws broken.
- 14. Since Defendants began dismantling USAID, there has been a more than two-fold increase in the total number of security incidents flagged by our IT tools. This includes both incidents related to outside attacks and incidents related to internal use of sensitive data (e.g. individuals within USAID downloading materials that contain sensitive information, like social security numbers, which is flagged even when an individual is downloading their own information). This has overwhelmed the IT team responsible for responding to these incidents. Previously, the IT team could keep up with the incident response on essentially a daily basis but can no longer do so. This is a security issue in and of itself as the IT team is stretched thin and therefore cannot focus as much attention as needed on actually threatening incidents.
- 15. I understand that the USAID buildings/floors within buildings have been given to other agencies for other purposes, including allowing the breaking down of offices and cubicles. USAID staff and contractors who worked in the USAID buildings are not allowed inside, even to obtain personal belongings. Before I was no longer allowed in the USAID building I worked in, I

kept in my office photographs, awards, coins collected over the years, and other keepsakes. I no longer have access to these items.

- 16. My fellow USAID staff and I are locked out of our offices, and we were told to stay away from all USAID locations. While we have been away, the leases were allowed to expire as they sought other Agencies to occupy the buildings. I am aware that the headquarters location at the Ronald Reagan Building. 1300 Pennsylvania Ave. has been turned over to the Department of Homeland Security/ Customs and Border Protection. The building that I worked from, 500 D Street SW, is actively being shopped out to other Agencies. This is happening with no communications to employees other than that the buildings are closed until further notice.
- 17. Our regular activities are not being performed as the usual processes are not being followed and there is complete uncertainty about the path forward. No one knows who holds certain roles and how to advance through most processes as many of the leaders are not in their formal roles and most people are fearful of making any decisions. It is clear that the focus is on the total dismantling of the Agency and not its core functions, not the support functions that are codified by statute. This includes FITARA, FISMA, the Privacy Act, Section 508 of the Americans with Disabilities Act, E-Government Act of 2002, Government Performance and Results Act, the Paperwork Reduction Act and many more. The best description of the current environment is very tense and paralyzing.

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18. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 18th day of February, 2025.

J. Doe 2

Signed by: J. Doe 2

Signature

# **EXHIBIT IV**

### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

#### **Plaintiffs**

v.

Case No. 25 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, *and* the DEPARTMENT OF GOVERNMENT EFFICIENCY,

#### **Defendants**

- I, J. Doe 6, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1. I am a plaintiff in this litigation, identified as "J. Doe 6" in the complaint.<sup>1</sup>
- 2. I am a personal services contractor ("PSC") at the United States Agency for International Development ("USAID") and have worked in this field for over 25 years.
- 3. I am a subject matter expert whose main duties include working on countering authoritarianism and foreign malign influence which undermines U.S. national security.
- 4. Under the terms of my contract, the government cannot terminate the contract in the middle of the contractual period unless it provides at least 15 days advance notice.
- 5. I was in Africa for work with USAID when the stop work order came out. I traveled back home to the United States and have thousands of dollars of travel costs reimbursement that is supposed to be covered by USAID.

<sup>&</sup>lt;sup>1</sup> A Motion to Proceed Under Pseudonyms is pending with the Court.

- 7. I have requested support from the Helpdesk and received a response letting me know that I am not on the list for access and that any changes will need to be approved by political leadership.
- 8. I am not able to perform my duties and scope of work optimally or engage equally as a teammate as I do not have access.
- 9. Moreover, there is extreme confusion as to whether PSCs have been placed on administrative leave or not. Like many PSCs, I have received zero information regarding my employment status despite losing access to my account. While some PSCs have had their accounts restored, many have not. This is extremely frustrating and confusing.
- 10. My health insurance is primarily covered by USAID, and I do not know if I continue to have health insurance coverage or how long that coverage will last.
- 11. My livelihood is severely jeopardized by Defendants' illegal activity.
- 12. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 17th day of February, 2025.

J. Doe 6

# EXHIBIT V

### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

#### **Plaintiffs**

V.

Case No. 25 8:25-cv-00462-TDC

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ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, *and* the DEPARTMENT OF GOVERNMENT EFFICIENCY,

#### **Defendants**

- I, J. Doe 7, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1. I am a plaintiff in this litigation, identified as "J. Doe 7" in the complaint.<sup>1</sup>
- 2. I am a Civil Service Excepted ("CSE") employee at the United States Agency for International Development ("USAID") and have been with the agency for over 10 years.
- 3. I work in a bureau focused on disaster response.
- 4. On Sunday, February 2, USAID personnel were cut off from accessing USAID systems in droves.
- 5. On Monday, February 3, more USAID personnel were cut off from accessing systems. That morning, I spoke with the information technology ("IT") personnel in my building. The IT team shared that representatives from DOGE had access to all systems. The IT personnel knew this because they were required to help the DOGE representatives obtain access. Two separate IT

<sup>&</sup>lt;sup>1</sup> A Motion to Proceed Under Pseudonyms is pending with the Court.

personnel told me that the representatives from DOGE "have everything" and that they now have "the keys to the kingdom."

- 6. On the morning of February 3, I was contacted by USAID personnel overseas who were stranded without access to government phone, laptop, and systems, including AtHoc and Scry, the apps used to disseminate emergency safety and security information/direction to colleagues. The systems to help the USAID people stranded overseas were shut down, and so I could not assist them.
- 7. On Tuesday, February 4, I went into the office and was eventually informed by colleagues that I and other personnel had to leave the building. I then went home to keep working. That evening, I was told I was put on administrative leave via an email from the USAID press email address, sent from one of DOGE's representatives. Shortly after receiving this notice, I lost access to USAID systems.
- 8. On Sunday, February 9, apparently in response to a temporary restraining order issued in another lawsuit, I was given access to USAID systems.
- 9. I did not have access to the Abacus system until February 13. Our Bureau uses Abacus for award management, running reports on awards, partners, and tracking our available budget and funds. As of February 17, the Automated Directive System (ADS), which covers all internal USAID policy and guidance from everything to HR and timekeeping issues to acquisitions and assistance to non-governmental organizations, UN agencies and other Public International Organization (PIOs), and for-profit organizations, was still offline.

- 10 Many PSCs were not paid for 2025 Pay Period 1 and did not receive their cost of living adjustment, and they were not paid for outstanding vouchers for travel, health insurance, and other reimbursable expenses.
- 11. The freeze on payment systems has also resulted in implementing partners being unable to get paid out for vouchers submitted for work already completed. World Food Program alone is owed over \$819M for work already completed. Several non-governmental organizations have already had to close up shop.
- 12. Not all of my team members and colleagues have had their access to email and systems restored, and that has placed an extra burden on those of us who are able to continue working. Those without access are unable to use email, any of the databases including documents on the shared drives, and are unable to work on anything SBU (sensitive but unclassified), as SBU materials can only be completed on government systems.
- 13. As part of my job, I am expected to serve on Response Management Teams (RMT) in a classified Ops Center in DC and/or Disaster Assistance Response Teams (DART) overseas at any given moment. At this time, USAID no longer has the lease to our headquarters space in the Ronald Reagan Building, which therefore means that we don't have access to any classified Ops Centers. Customs and Border Patrol has taken over our space. We have been told that no one from USAID will be allowed access to retrieve their personal items.
- 14. As a result of not having access to a classified Ops Center, we can not conduct regular operations for disaster response. This means that if an earthquake similar to the February 6, 2023 earthquake in Turkey and Syria were to occur tomorrow, we would be unable to operate as normal. At this time, we have active RMTs for the Afghanistan, Ukraine, Sudan, Gaza, and

Yemen regions, however they do not have access to the classified Operations Center in the Ronald Reagan Building. Staff who had been delegated to short-term Tour of Duty (TDY) assignments on the respective DARTs have been called home, and the disaster responses are not able to function as normal.

- 15. I understand that the DOGE representatives have access to my personnel, medical, and security clearance files. These files have extremely sensitive information about me and my family members, including information that could subject me to harassment by DOGE members and/or by third parties. I am extremely worried about this prospect. Some of my colleagues have been doxxed, and so this concern is especially heightened.
- 16. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 17th day of February, 2025.

J. Doe 7

# EXHIBIT VI

### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

#### **Plaintiffs**

v.

Case No. 25 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, *and* the DEPARTMENT OF GOVERNMENT EFFICIENCY,

#### **Defendants**

- I, J. Doe 9, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1. I am a plaintiff in this litigation, identified as "J. Doe 9" in the complaint.<sup>1</sup>
- 2. I am a personal services contractor ("PSC") offshore at the United States Agency for International Development ("USAID").
- 3. I am in a high-risk area in the Middle East.
- 4. On Monday, February 3, 2025, I tried to login to my USAID email account but was locked out. I received no warning or notification in advance of being shut out of USAID's systems. My supervisor and Head of Mission were not informed in advance of the cutoff.
- 5. All of the contacts and the safety and security applications, including the SCRY application used to monitor and account for overseas personnel, were removed remotely from my USAID work phone. The SCRY application is the safety and security mechanism by which federal government staff overseas in dangerous areas indicate that they are in a dangerous situation and access help.

<sup>&</sup>lt;sup>1</sup> A Motion to Proceed Under Pseudonyms is pending with the Court.

6. I live with my family in the foreign country in which I am stationed and I am concerned for mine and my family's safety. If there is an emergency, I hope we will be able to get out and be taken care of by USAID, but there is no guarantee as over the last few weeks, nothing done within USAID by Defendants has been according to protocol or implemented in a methodical, safe manner.

- 7. I have no idea what my status is each day. I continue to go into the office in order to execute my duties to the best of my ability despite not having access to any of the tools and resources required to do so.
- 8. As of February 17, 2025, I am still locked out of all USAID systems, including email, safety and security applications (including SCRY application), my calendar, Drive, and desktop. I have tried numerous times to reach out to different helpdesk lines in Washington, DC. The only response I have received is a message that the helpdesk confirms my account is disabled but that they can only tell me to contact political leadership in order to try to obtain my access to USAID systems.
- 9. Our Mission leadership and human resources held a meeting at the end of last week. They indicated that PSCs should prepare for when, not if, our contracts will be terminated. It is unclear whether the 30-day period to depart will apply to us as soon as the Temporary Restraining Orders in other cases lapse. It appears that even if we get approval to stay (*e.g.* to allow my child(ren) to finish the school year), we would no longer receive important provisions, like government-provided housing. I am scheduled to go on medical leave soon. If my contract is terminated before that time, I will lose the paid medical leave I have relied on.
- 10. I am under an incredible amount of emotional and psychological distress. My safety and my family's safety weighs on my mind. I am worried and anxious about whether my family will

be uprooted in the next thirty days, including taking my child(ren) out of their school in the middle of the school year. I am distressed that I may lose my job without access to my salary, healthcare, and housing. And I am in emotional turmoil over the prospect of having a major medical event (I am already feeling the effects of this medical situation) without knowing that I will have access to my healthcare nor my paid medical leave. Additionally, the emotional and psychological distress from the situation within USAID exacerbates the effects of my medical situation.

11. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 18th day of February, 2025.

J. Doe 9

Signé par :

J. Dot 9

E9C00053D73D43D.

Signature

# EXHIBIT VII

### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

#### **Plaintiffs**

v.

Case No. 25 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, *and* the DEPARTMENT OF GOVERNMENT EFFICIENCY,

#### **Defendants**

- I, J. Doe 12, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1. I am a plaintiff in this litigation, identified as "J. Doe 12" in the complaint.
- 2. I am a personal services contractor ("PSC") at the United States Agency for International Development ("USAID").
- 3. My main duties include advocating for humanitarian assistance within the U.S. Government (USG) interagency, including training and preparing USG employees on supporting a USAID-led humanitarian response. I deploy to disasters around the world, often with 24 hours notice, and support steady-state capacity building and assessments to improve the execution of USAID-led humanitarian response.
- 4. On February 3, I lost access to USAID email and other systems. I have reported the lack of access to numerous entities within USAID and for several days received circular information

about how to resume access. I was originally told to contact HR, which I did via email and phone, and then was referred to USAID's Chief Information Office ("CIO"), only to be re-referred to the original office.

- 5. On February 11, someone working in CIO responded to one of my requests to restore system connectivity with the following, "Hello, Thank you for contacting the Service Desk. Your account is disabled. Please contact your Bureau/political leadership for guidance on disabled accounts, not CIO. As this is a referral, this ticket will be resolved." I continue to include human resources and CIO in my daily emails to the Contracting Officers, indicating that I do not have systems access.
- 6. The Agency is sending out important notices about the ongoing evolution of USAID to USAID email accounts only. Despite still being a PSC with USAID, I am unable to receive these notices.
- 7. I believe that I still have access to the emergency notification systems ("ENS"), because I had previously approved ENS alerts to be sent to my personal account. However, many of my colleagues had not previously chosen to opt into receiving ENS on their personal accounts and would not have access to ENS absent their USAID account. ENS provides updates on public safety and building safety. Relatedly, we continue to be barred from the USAID buildings and

have not received a formal notice of closure through ENS since February 6. Typically building closures are announced through ENS.

- 8. The leadership of my office have held important meetings related to the status of USAID and potential closure, however only staff with current access are permitted to attend. As a result, I have to rely on second hand information about the status of my future employment and other related topics.
- 9. My main concern is that the lifesaving work that USAID facilitated has stopped overnight. The recipients of USAID programming are some of the most vulnerable people in the world, and the cruel overnight closure of many USAID programs has increased human suffering around the world. I have spent the last few weeks weeping, nearly daily, as I think about the risk to people on the brink of death and utter devastation. For the last decade, I have worked in DC and almost 20 countries, supporting populations in crisis. I see the faces and stories that I've been privileged to serve and am heartbroken to think that in the course of one day many life saving programs and humanitarian activities---even those that were already funded---were halted. The international humanitarian system, which was formalized following the Second World War, has been shattered by Defendant Musk's actions against USAID. Within a matter of days, Defendant Musk and DOGE dismantled a global system under the guise of a "90 Day Review." I have experienced harm and moral injury as an anticipated good faith effort to honor the American

taxpayer was weaponized and used as a tool by Defendant Musk to dismantle an entire government agency and cancel life saving humanitarian assistance in the process.

- 10. I am very worried that I will not be reimbursed for expenses that are part of my compensation package. As a PSC, I pay upfront for entitlements such as health and life insurance and then submit vouchers for reimbursement. The USG is required to reimburse for allowable costs within 30 days of receipt, but PSCs have been informed that the systems that disburse the reimbursements are down per the interpretation of Executive Order 14169.
- 11. I am deeply concerned about my cybersafety and identity. Based on DOGE's access to information, I believe that there is a credible threat to the security of individuals that speak out against the actions of Defendants Musk and/or DOGE. Moreover, I am concerned that action could be taken against me, through the use of facial recognition software, particularly as it relates to my participation in first amendment activity in my personal capacity and outside of work hours. I perceive a credible threat of being doxxed by Defendants Musk and DOGE, and fear that my family would also be implicated in a doxx.
- 12. I fear that Defendant Musk's statements about USAID and federal workers have caused irreparable harm on the international stage. Due to the actions of Musk and DOGE, the humanitarian industry/professional community are severely damaged. Nearly all American aid workers are now at risk of unemployment or underemployment, should they decide to stay in this line of work. Defendant Musk and his team have disparaged USAID workers and stained our reputation internationally. Additionally, I have personally heard remarks that explicitly and implicitly accused USAID workers of being "corrupt" and "stealing from the American people."

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My family has reported to me that they have received questions from community members inquiring about the "lack of accountability and liberal corruption" within USAID, based on the comments that Defendant Musk has made about the Agency and its staff. I am afraid that nearly a decade of service to my country is being devalued and smeared in civil discourse.

13. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 17th day of February, 2025.

J. Doe 12

Signature

# EXHIBIT VIII

### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

#### **Plaintiffs**

V.

Case No. 25 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, *and* the DEPARTMENT OF GOVERNMENT EFFICIENCY,

#### **Defendants**

- I, J. Doe 19, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1. I am a plaintiff in this litigation, identified as "J. Doe 19" in the complaint.
- 2. I am a personal services contractor ("PSC") at the United States Agency for International Development ("USAID") and have been with the agency for over 7 years.
- 3. I was previously on assignment in Africa for 6 years with USAID, working on health programing.
- 4. I am in Asia on assignment with USAID and have been since 2023. My family and I moved to Asia for this position. I am a senior advisor responsible for supporting multiple countries in the region.

a few hours later. I received no communication from the agency before being locked out.

- 6. I sent a message to the Information Technology ("IT") Helpdesk who informed me that my account had been disabled but that they were not authorized to reinstate my account. I was also told to "have your career leadership reach out to political leadership." I later reached out to the HR Helpdesk and was told "You are likely still on administrative leave, but HCTM [the HR department] is unable to confirm this for USPSC staff. Please consult with your cognizant contracting officer if you need assistance regarding your personal contract." I have not been put on administrative leave and my contracting officer confirmed that I should continue reporting for duty as I have done each workday since February 3.
- 7. As of February 18, I am still locked out of all of my devices, including my work computer and G-Suite.
- 8. My contracting officer has also not been told what is going on or what I should expect regarding my employment.
- 9. I am emotionally and psychologically harmed by the actions taken by Defendants, including locking me out of all USAID systems. I have received no concrete information about my employment situation. I am the sole breadwinner for my family and the uncertainty

surrounding my access to USAID systems and my employment weighs on me heavily. I am worried that I may lose my job, my home, and my salary. I have already lost healthcare coverage as my insurance premium was up for annual renewal at the end of January and I have not been able to purchase a new policy with the uncertainty around where I will live and will therefore need coverage for the next year and whether or not I will be reimbursed for the premium as per the terms of my contract.

- I have anxiety about whether my family will be uprooted out of Asia in the next thirty 10. days as it is unclear how the 30-day order applies to me.
- 11. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 18th day of February, 2025.

J. Doe 19

J. Doe 19

Signature

## EXHIBIT IX

### IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MARYLAND

J. DOE 1-26,

#### **Plaintiffs**

v.

Case No. 25 8:25-cv-00462-TDC

ELON MUSK, in his official capacity, UNITED STATES DOGE SERVICE, *and* the DEPARTMENT OF GOVERNMENT EFFICIENCY,

#### **Defendants**

#### **DECLARATION OF J. DOE 26**

- I, J. Doe 26, pursuant to 28 U.S.C. § 1746, declare that the following statements are true and correct to the best of my knowledge and belief:
- 1. I am a plaintiff in this litigation, identified as "J. Doe 26" in the complaint.<sup>1</sup>
- 2. I am a Civil Service Excepted (CSE) employee at the United States Agency for International Development ("USAID") and have been with the agency for over 13 years. I am a senior manager at USAID.
- 3. On February 3, I lost access to my USAID email and systems. I received no explanation for this but rather was just cut off from the systems. I could not email my supervisor and could not receive any message explaining admin leave. I emailed HR Helpdesk to request leave or access restored. HR Helpdesk responded letting me know that they could not confirm my status but the fact that I did not have systems access likely meant I was on admin leave status.
- 4. My email access was restored on Sunday, February 9, after a TRO in another lawsuit. I have systems access and have been teleworking but have no access to my work station in the Ronald Reagan Building.

<sup>&</sup>lt;sup>1</sup> A Motion to Proceed Under Pseudonyms is pending with the Court.

- 5 There is a substantial negative impact on my work and some limitations due to the current situation of uncertainty, no access to the building, and lack of fully functioning systems within the Agency. Examples include (1) some staff still don't have access to systems, (2) some staff who need to access classified email cannot do so, (3) staff members who onboarded recently still have not been issued their onboarding materials, (4) the lack of access to the Ronald Reagan Building hinders our ability to properly manage government records and hinders our office from the close collaboration that is integral to our functioning, (5) many key members of our workforce were institutional contractors whose contract was terminated with no warning mid-week, (6) the Agency financial system (Phoenix) has not been accessible or functional all week, preventing us from processing payments for staff and partners.
- I understand that DOGE "broke" or "damaged" the system. The inability to use Phoenix 6. has caused incredible hardship to the Agency worldwide.
- 7. Despite being initially told to report to work on Monday, February 10, I was subsequently told that my access to the Ronald Reagan Building was not allowed, due to the building lease having been signed over to Customs and Border Protection. At least one other colleague attempted to gain access to the building and was denied. This colleague (and some others) have their government-furnished equipment (laptop, phone) still in the building and have not been able to retrieve it all week.
- 8. The lack of access to the building is problematic because staff and leaders are not able to access resources they need in the building or any classified materials. The lack of access to this classified material and communications methods prevents us from participating in interagency discussions on national security issues.

- 9. My job duties require access to physical records (files) in our office, the lack of which is problematic for the closeout of contracts that were terminated this week. The orderly and lawful closeout of these awards, including prompt payment, requires proper record keeping.
- 10. Many of the programs that our office implements were on a list of contracts to be terminated an action that, once taken, cannot be reversed (and requires thousands of hours of effort and months of time to recompete).
- 11. As a result of the public smear campaign by Defendant Elon Musk against USAID and our staff, I feel unsafe.
- 12. I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on the 17th day of February, 2025.

**J. Doe 26** 

Signed by:

J. Dot 26

Signature

# EXHIBIT X



## EXHIBIT XI

The New York Times

https://www.nytimes.com/2025/02/15/opinion/trump-musk-america.html

#### MAUREEN DOWD

# Who Will Stand Up to Trump at High Noon?

Feb. 15, 2025



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**By Maureen Dowd**Opinion Columnist, reporting from Washington

When I was a teenager, my older brother took me to see "Shane."

I wasn't that into westerns, and the movie just seemed to be about a little boy running after Alan Ladd in the wilderness of the Tetons, screaming "Sha-a-a-ane, come back!"

I came across the movie on Turner Classic Movies the other night, and this time I understood why the George Stevens film is considered one of the best of all time. (The A.F.I. ranks "Shane, come back!" as one of the 50 top movie lines of all time.)

The parable on good and bad involves a fight between cattle ranchers and homesteaders. Ladd's Shane is on the side of the honest homesteaders — including an alluring married woman, played by Jean Arthur. Arriving in creamy fringed buckskin, he is an enigmatic golden gunslinger who goes to work as a farmhand. Jack Palance plays the malevolent hired gun imported by the brutal cattle ranchers to drive out the homesteaders. Palance is dressed in a black hat and black vest. In case you don't get the idea, a dog skulks away as Palance gets up in a saloon.

It's so easy to tell the good guys from the bad guys, the right thing to do versus the wrong. Law and order wasn't a cliché or a passé principle that could be kicked aside if it interfered with baser ambitions.

The 1953 film is also a meditation on American masculinity in the wake of World War II. A real man doesn't babble or whine or brag or take advantage. He stands up for the right thing and protects those who can't protect themselves from bullies.

I loved seeing all those sentimental, corny ideals that America was built on, even if those ideals have often been betrayed.

So it's disorienting to have the men running America, Donald Trump and Elon Musk, relish bullying people who can't fight back and blurring lines between good and bad.

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They should be working for us, but we suspect they're working for themselves.

After Elon met with Prime Minister Narendra Modi of India on Thursday, Trump admitted that he wasn't sure if Musk was there as a representative of the U.S. government or as an American C.E.O. "I don't know," he said. "They met, and I assume he wants to do business in India."

Trump and Musk see government workers as losers for devoting themselves to public service rather than chasing dollars.

Axios called their aggressive approach "masculine maximalism."

"Trump and Musk view masculinity quite similarly: tough-guy language, macho actions, irreverent, crude — and often unmoved by emotionalism, empathy or restraint."

The two are freezing programs, firing federal workers en masse, ripping apart the government and decimating agencies with no precision, transparency or decency.

Republicans are cowering, and Democrats are frozen like the townsfolk in westerns when the bad guys take over.

Trump's glowering mug shot even hangs outside the Oval, like an Old West "Wanted: dead or alive" poster. And Musk, giving a news conference with his son X Æ A-Xii on his shoulders, mirrored Palance with his black outfit, including a Dark MAGA hat.

It's bizarre to have the White House accusing judges who pause Trump's depredations for a constitutional review of provoking a constitutional crisis.

Trump and Elon are turning our values upside down. The president demands fealty, even if he is asking his followers and pawns to do something illicit or transgressive. Loyalty outweighs legality.

He immediately purged federal prosecutors who worked on Jan. 6-related cases. He ordered a McCarthyesque probe of thousands of F.B.I. agents who investigated a bloody sack of the U.S. Capitol that endangered police officers and lawmakers. So now the agents are the scofflaws, and the scofflaw is the dispenser of "justice"?

Trump is even making it easier for American companies to bribe foreign governments — something that's not exactly an American ideal.

Danielle Sassoon, the acting U.S. attorney for the Southern District of New York, whose office was prosecuting the corruption case against Mayor Eric Adams of New York, resigned on Thursday before she could be fired, after Trump's Justice Department ordered her to drop the case against the mayor. Trump seemed willing to let Adams, his latest sycophant, off the hook if he cooperated with the administration's deportation efforts. On Thursday, Adams granted immigration officers access to the city's jail.

On "Fox & Friends" on Friday, Adams sat with Tom Homan, Trump's monomaniacal border czar, who didn't mince words.

"If he doesn't come through, I'll be back in New York City," Homan said. "And we won't be sitting on the couch. I'll be in his office, up his butt, saying, 'Where the hell is the agreement we came to?"

Sassoon is a conservative legal star with Harvard and Yale degrees who clerked for Antonin Scalia and is a contributor to the Federalist Society — and is, by the way, going through all this mishegoss with a baby due in mid-March.

She is the heroine of the story, and Adams is the miscreant. But Trump and his former lawyer, now the acting No. 2 at Justice, Emil Bove III, are trying to brand her as incompetent and insubordinate and Adams as politically persecuted (like

Trump).

Six more Justice Department officials quit after Sassoon, including the lead prosecutor on the Adams case, a former Brett Kavanaugh clerk named Hagan Scotten. Scotten wrote to Bove: "If no lawyer within earshot of the president is willing to give him that advice, then I expect you will eventually find someone who is enough of a fool, or enough of a coward, to file your motion. But it was never going to be me."

R.F.K. Jr., our new secretary of health and human services — as hard as that is to believe — is hailed by Trump as a health savior, when he's a dire threat to America's children with his dismissal of vaccines.

Most of the world sees Volodymyr Zelensky as a hero and Vladimir Putin as a villain. I feel queasy when I hear President Trump talking dotingly about Putin, a K.G.B.-trained thug. I'm sure that dogs skulk away from Putin as he walks by.

But Putin has made it his business to seduce the president, so the easily flattered Trump sees Zelensky as the inevitable loser in his bid to keep Ukraine intact. As the Pentagon chief, Pete Hegseth, put it, Zelensky needs to get with it and understand "hard power realities," like the reality that he's not getting all of his territory back.

On Ukraine joining NATO, Trump sounds like a Putin spokesman, asserting that "Russia would never accept" that.

In a speech in Brussels on Thursday, Hegseth said, "We can talk all we want about values. Values are important. But you can't shoot values. You can't shoot flags. And you can't shoot strong speeches. There is no replacement for hard power."

But if we lose our values and abandon what those before us have fought for, are we the same America? Our heroes preserved the Union and liberated Europe from the Nazis. We're supposed to be the shining city on the hill. It feels as if we're turning our country into a crass, commercial product, making it cruel, as we maximize profits.

I hope, as President Trump and Elon Musk exercise their "masculine maximalism," they remember the words of John Wayne in the 1972 western "The Cowboys": "A big mouth don't make a big man."

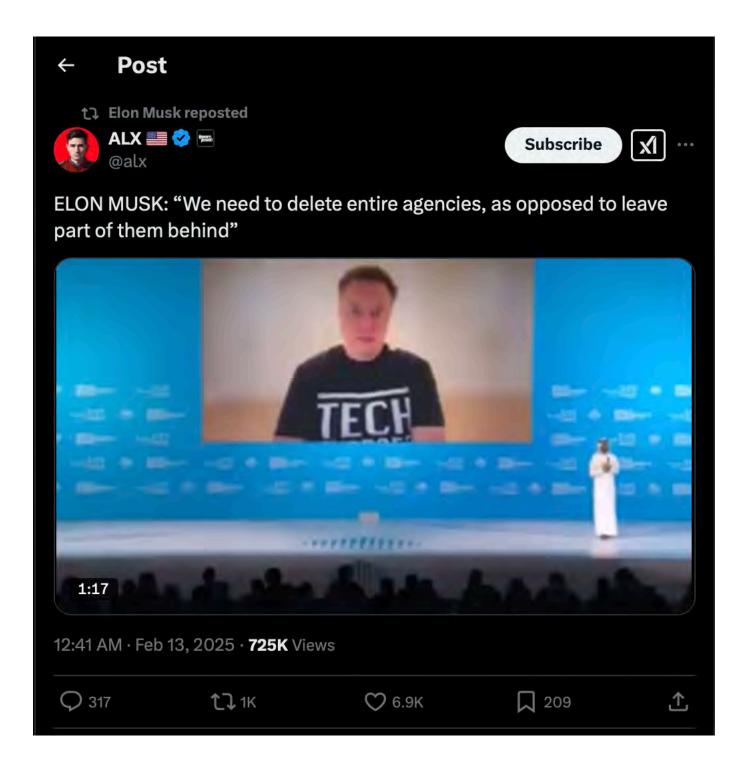
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Maureen Dowd is an Opinion columnist for The Times. She won the 1999 Pulitzer Prize for distinguished commentary. @MaureenDowd • Facebook

A version of this article appears in print on , Section SR, Page 3 of the New York edition with the headline: Shane, Come Back! Hurry!!

## EXHIBIT XII



## EXHIBIT XIII

POLITICS TRUMP ADMINISTRATION

### Trump Administration Fires, Then Rescinds Firing of Nuclear Weapons Workers

4 MINUTE READ



Elon Musk walks to the Eisenhower Executive Office Building near the White House in Washington, D.C., on Feb. 13, 2025.

BY TARA COPP AND ANTHONY IZAGUIRRE / AP FEBRUARY 16, 2025 9:00 PM EST

WASHINGTON — The Trump Administration has halted the firings of hundreds of federal employees who were tasked with working on the nation's nuclear weapons programs, in an about-face that has left workers confused and experts cautioning that DOGE's blind cost cutting will put communities at risk.

Three U.S. officials who spoke to The Associated Press said up to 350 employees at the National Nuclear Security Administration were abruptly laid off late Thursday, with some losing access to email before they'd learned they were fired, only to try to enter their offices on Friday morning to find they were locked out. The officials spoke on the condition of anonymity for fear of retaliation.

One of the hardest hit offices was the Pantex Plant near Amarillo, Texas, which saw about 30% of the cuts. Those employees work on reassembling warheads, one of the most sensitive jobs across the nuclear weapons enterprise, with the highest levels of clearance.

The hundreds let go at NNSA were part of a DOGE purge across the Department of Energy that targeted about 2,000 employees.						

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"The DOGE people are coming in with absolutely no knowledge of what these departments are responsible for," said Daryl Kimball, executive director of the Arms Control Association, referencing Elon Musk's Department of Government Efficiency team. "They don't seem to realize that it's actually the department of nuclear weapons more than it is the Department of Energy."

Read More: Inside Elon Musk's War on Washington

By late Friday night, the agency's acting director, Teresa Robbins, issued a

TIME



"This letter serves as formal notification that the termination decision issued to you on Feb. 13, 2025 has been rescinded, effective immediately," said the memo, which was obtained by the AP.

The accounts from the three officials contradict an official statement from the Department of Energy, which said fewer than 50 National Nuclear Security Administration staffers were let go, calling them "probationary employees" who "held primarily administrative and clerical roles."

But that wasn't the case. The firings prompted one NNSA senior staffer to post a warning and call to action.

"This is a pivotal moment. We must decide whether we are truly committed to leading on the world stage or if we are content with undermining the very systems that secure our nation's future," deputy division director Rob Plonski posted to LinkedIn. "Cutting the federal workforce responsible for these functions may be seen as reckless at best and adversarily opportunistic at worst."

Read More: 'The Worst I've Ever Seen': Trump's Mass Layoffs Leave Federal Workers Baffled and Angry

While some of the Energy Department employees who were fired dealt with energy efficiency and the effects of climate change, issues not seen as priorities by the Trump Administration, many others dealt with nuclear issues, even if they didn't directly work on weapons programs. This included managing massive radioactive waste sites and ensuring the material there doesn't further contaminate nearby communities.

That incudes the Savannah River National Laboratory in Jackson, South Carolina; the Hanford Nuclear Site in Washington state, where workers secure 177 high-level waste tanks from the site's previous work producing plutonium for the atomic bomb; and the Oak Ridge Reservation in Tennessee, a Superfund contamination site where much of the early work on the Manhattan Project was

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done, among others.

U.S. Rep. Marcy Kaptur of Ohio and U.S. Sen. Patty Murray of Washington, both Democrats, called the firings last week "utterly callous and dangerous."

The NNSA staff who had been reinstated could not all be reached after they were fired, and some were reconsidering whether to return to work, given the uncertainty created by DOGE.

Many federal employees who had worked on the nation's nuclear programs had spent their entire careers there, and there was a wave of retirements in recent years that cost the agency years of institutional knowledge.

But it's now in the midst of a major \$750 billion nuclear weapons modernization effort—including new land-based intercontinental ballistic missiles, new stealth bombers and new submarine-launched warheads. In response, the labs have aggressively hired over the past few years: In 2023, 60% of the workforce had been there five years or less.

Edwin Lyman, director of nuclear power safety at the Union of Concerned Scientists, said the firings could disrupt the day-to-day workings of the agency and create a sense of instability over the nuclear program both at home and abroad.

"I think the signal to U.S. adversaries is pretty clear: throw a monkey wrench in the whole national security apparatus and cause disarray," he said. "That can only benefit the adversaries of this country."

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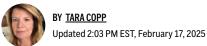
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## **EXHIBIT XIV**

#### **POLITICS**

### Trump begins firings of FAA air traffic control staff just weeks after fatal DC plane crash





WASHINGTON (AP) — The Trump administration has begun firing several hundred Federal Aviation Administration employees, upending staff on a busy air travel weekend and just weeks after a January fatal mid-air collision at Ronald Reagan Washington National Airport.

Probationary workers were targeted in late night emails Friday notifying them they had been fired, David Spero, president of the Professional Aviation Safety Specialists union, said in a statement.

The impacted workers include personnel hired for FAA radar, landing and navigational aid maintenance, one air traffic controller told the Associated Press. The air traffic controller was not authorized to talk to the media and spoke on condition of anonymity.

The National Air Traffic Controllers Association said in a brief statement Monday it was "analyzing the effect of the reported federal employee terminations on aviation safety, the national airspace system and our members."



Other FAA employees who were fired were working on an urgent and classified early warning radar system the Air Force had announced in 2023 for Hawaii to detect incoming cruise missiles, through a program that was in part funded by the Department of Defense. It's one of several programs that the FAA's National Defense Program manages that involve radars providing longer-range detection around the country's borders.

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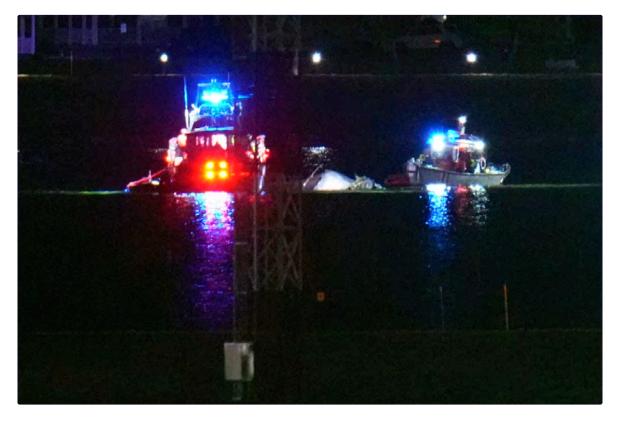


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Air traffic controllers were initially offered buyouts



#### American Airlines jet collides with Army helicopter at Reagan Airport

Due to the nature of their work, staff in that office typically provide an extensive knowledge transfer before retiring to make sure no institutional knowledge is lost, said Charles Spitzer-Stadtlander, one of the employees in that branch who was terminated.

The Hawaii radar and the FAA National Defense Program office working on it "is about protecting national security," Spitzer-Stadtlander said. "I don't think they even knew what NDP does, they just thought, oh no big deal, he just works for the FAA."

"This is about protecting national security, and I'm scared to death," Spitzer-Stadtlander said. "And the American public should be scared too."

Spero said messages began arriving after 7 p.m. on Friday and continued late into the night. More might be notified over the long weekend or barred from entering FAA buildings on Tuesday, he said.



President Donald Trump speaks to reporters after landing at Palm Beach International Airport in West Palm Beach, Fla., Sunday, Feb. 16, 2025, after attending the NASCAR Daytona 500 auto race. (Pool via AP)



Tesla CEO Elon Musk speaks before unveiling the Model Y at Tesla's design studio, March 14, 2019, in Hawthorne, Calif. (AP Photo/Jae C. Hong, File)

The employees were fired "without cause nor based on performance or conduct," Spero said, and the emails were "from an 'exec order' Microsoft email address" - not a government email address. A copy of the

termination email that was provided to the AP shows the sending address from the address "ASK AHR EXEC Orders@usfaa.mail.outlook.com."

The firings hit the FAA when it faces a shortfall in controllers. Federal officials <u>have been raising concerns</u> about an overtaxed and understaffed air traffic control system for years, especially after a series of close calls between planes at U.S. airports. Among the reasons they have cited for staffing shortages are uncompetitive pay, long shifts, intensive training and mandatory retirements.

In the Jan. 29 fatal crash between a U.S. Army Black Hawk helicopter and American Airlines passenger jet, which is still under investigation, one controller was handing both commercial airline and helicopter traffic at the busy airport.

Just days before the collision, President Donald Trump had already <u>fired all the members</u> of the Aviation Security Advisory Committee, a panel mandated by Congress after the 1988 PanAm 103 bombing over Lockerbie, Scotland. The committee is charged with examining safety issues at airlines and airports.

Spitzer-Stadtlander suggested he was targeted for firing for his views on Tesla and X, formerly Twitter, not as part of a general probationary-level sweep. Both companies are owned by Elon Musk, who is leading Trump's effort to cut the federal government.

Spitzer-Stadtlander is Jewish and was angered by Elon Musk's straight arm saluting at Trump's inauguration. On his personal Facebook account he urged friends to get rid of their Teslas and "X," or Twitter, accounts in response.

That post drew the attention of a DOGE Facebook account, which reacted with a laughing emoji. Soon after, he saw the same account reacting to much older posts through his personal Facebook feed.

"The official DOGE Facebook page started harassing me on my personal Facebook account after I criticized

Tesla and Twitter," Spitzer-Stadtlander wrote in a post over the weekend on Linked In. "Less than a week later, I was fired, despite my position allegedly being exempted due to national security."

He added: "When DOGE fired me, they turned off my computer and wiped all of my files without warning."

Spitzer-Stadtlander said he was supposed to be exempted from the probationary firings because the FAA office he worked in focused on national security threats such as attacks on the national airspace by drones.

The Musk-led Department of Government Efficiency did not immediately respond to a request for comment. The firings were first reported by CNN.

\_\_-

Associated Press writer Ellen Knickmeyer contributed from Washington.

#### **TARA COPP**

Copp covers the Pentagon and national security for the Associated Press. She has reported from Afghanistan, Iraq, throughout the Middle East, Europe and Asia.





2/18/25, 8:27 AM

# **EXHIBIT XV**

### Musk's DOGE team to visit US FAA command center on Monday

By David Shepardson

February 16, 2025 11:44 PM EST · Updated a day ago









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Visit comes days after effort to fire hundreds of probationary sustained by the second second

WASHINGTON, Feb 16 (Reuters) - Personnel from Elon Musk's government downsizing team DOGE will visit the Federal Aviation Administration's Air Traffic Control command center in Warrenton, Virginia, on Monday, as the Trump administration says it wants to reform the system.

Transportation Secretary Sean Duffy disclosed the plan in a social media post on Sunday.

DOGE personnel will "get a firsthand look at the current system, learn what air traffic controllers like and dislike about their current tools, and envision how we can make a new, better, modern and safer system," he added.

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The Trump administration this month reversed course and denied <u>participation</u> to air traffic controllers or security officers of the <u>Transportation Security Administration</u> in a government incentive program to quit.

On Saturday, the Professional Aviation Safety Specialists union said several hundred FAA probationary employees were among thousands fired as part of a campaign by President Donald Trump and Musk to <u>slash</u> the U.S. bureaucracy.

The union said the "draconian action will increase the workload and place new responsibilities on a workforce that is already stretched thin." Report this ad

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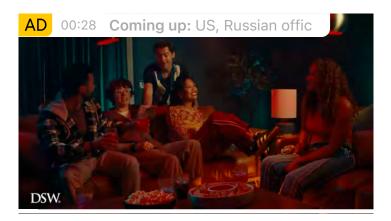
The FAA did not immediately comment on Sunday.

Musk, the chief executive of Tesla (TSLA.O) ☐ and SpaceX, said on X in response late on Sunday to the planned DOGE visit that the "safety of air travel is a non-partisan matter. SpaceX engineers will help make air travel safer."

Musk previously cited concerns about the recent temporary failure of the FAA's NOTAM pilot alerting system, housed at the Virginia command center.

This month Senator Maria Cantwell called on Duffy to bar Musk from involvement in FAA air space reform, citing conflicts of interest and saying SpaceX was fined by the agency. SpaceX

did not comment late on Sunday.



The FAA handles an average of 45,000 daily flights and says more than a quarter of the world's scheduled flights arrive at or depart from U.S. airports.

Last week, two U.S. senators called for increased funding and staffing for FAA air traffic after a fatal midair collision highlighted the persistent lack of aviation safety personnel.

Senators Jeanne Shaheen and John Hoeven said the FAA is more than 3,500 air traffic controllers short of targeted staffing levels. FAA controller staffing has been flat in recent years and is down 10% from 2012.

A January 29 collision between an American Airlines (AAL.O) Tregional jet and an Army helicopter killed 67 people near Washington Reagan National Airport in the deadliest U.S. air disaster in more than 20 years.

Duffy says the administration <u>plans to</u> "make sure that America has the most innovative, technologically advanced air traffic control system."

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He is reconsidering rules that let air traffic control supervisors cut staffing before the fatal collision.

Duffy plans to soon announce steps to surge more air traffic control training and applicants and will visit the FAA Academy in Oklahoma this week to meet air traffic controller instructors and students.

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Reporting by David Shepardson; Editing by Gerry Doyle and Clarence Fernandez

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## EXHIBIT XVI

## Musk's DOGE seeks access to personal taxpayer data, raising alarm at IRS

The unusual request could put sensitive data about millions of American taxpayers in the hands of Trump political appointees.

Updated February 16, 2025

By Jacob Bogage and Jeff Stein

Elon Musk's U.S. DOGE Service is seeking access to a heavily guarded Internal Revenue Service system that includes detailed financial information about every taxpayer, business and nonprofit in the country, according to three people familiar with the activities, sparking alarm within the tax agency.

Under pressure from the White House, the IRS is considering a memorandum of understanding that would give officials from DOGE — which stands for Department of Government Efficiency — broad access to tax-agency systems, property and datasets. Among them is the Integrated Data Retrieval System, or IDRS, which enables tax agency employees to access IRS accounts — including personal identification numbers — and bank information. It also lets them enter and adjust transaction data and automatically generate notices, collection documents and other records.

According to a draft of the memorandum obtained by The Washington Post, DOGE software engineer Gavin Kliger is set to work at the IRS for 120 days, though the tax agency and the White House can renew his deployment for the same duration. His primary goal at the IRS is to provide engineering assistance and IT modernization consulting.

The agreement requires that Kliger maintain confidentiality of tax return information, shield it from unauthorized access and destroy any such information shared with him upon the completion of his IRS deployment.

IDRS access is extremely limited — taxpayers who have had their information wrongfully disclosed or even inspected are entitled by law to monetary damages — and the request for DOGE access has raised deep concern within the IRS, according to three people familiar with internal agency deliberations who, like others in this report, spoke on the condition of anonymity to discuss private conversations.

Kliger had not been granted IDRS access as of Sunday evening, according to a person with firsthand knowledge of his movement and access at the tax agency, as acting IRS commissioner Doug O'Donnell had yet to finalize the memorandum that would permit him to do more detailed work.

O'Donnell's predecessor, Danny Werfel, resigned on Jan. 20, after Trump announced plans to replace him with former congressman Billy Long (R-Missouri). Long has not yet been confirmed by the Senate.

The news comes as roughly 150 million taxpayers prepare to file returns by the April 15 deadline. In his first term, Trump openly mused about sending IRS agents after political opponents, leaving agency officials on edge about the IRS's independence.

The tax agency's systems are widely considered antiquated — many were built using computer coding language from the 1960s — and overhauling the agency's IT is in line with DOGE's mandate to modernize government technology. IRS contractors are generally provided system access to repair or maintain IDRS and similar data systems.

But it's highly unusual to grant political appointees access to personal taxpayer data, or even programs adjacent to that data, experts say. IRS commissioners traditionally do not have IDRS access. The same goes for the national taxpayer advocate, the agency's internal consumer watchdog, according to Nina Olson, who served in the role from 2001 to 2019.

"The information that the IRS has is incredibly personal. Someone with access to it could use it and make it public in a way, or do something with it, or share it with someone else who shares it with someone else, and your rights get violated," Olson said.

A Trump administration official said DOGE personnel needed IDRS access because DOGE staff are working to "eliminate waste, fraud, and abuse, and improve government performance to better serve the people."

The official said the "DOGE mission ... to bring much-needed efficiency to our bureaucracy" is being carried out "legally and with the appropriate security clearances."

A security clearance is not a sufficient credential for access to taxpayer systems, according to IRS procedures. IDRS access is governed by compelling needs for tax administration, not national security.

"IDRS users are authorized to access only those accounts required to accomplish their official duties," <u>according to</u> IRS policy.

In a statement, White House spokesman Harrison Fields told The Post: "Waste, fraud and abuse have been deeply entrenched in our broken system for far too long. It takes direct access to the system to identify and fix it. DOGE will continue to shine a light on the fraud they uncover as the American people deserve to know what their government has been spending their hard earned tax dollars on."

Representatives from the Treasury Department and IRS did not immediately respond to requests for comment.

Kliger arrived unannounced at IRS headquarters on Thursday and was named senior adviser to the acting commissioner. IRS officials were told to treat Kliger and other DOGE officials as contractors, two people familiar said.

A White House official said Sunday, however, that DOGE personnel at the IRS were full agency employees and not contractors.

Kliger met with Ken Corbin, the IRS's chief of taxpayer services, and Heather Maloy, the agency's top enforcement official, during his first day at the agency's headquarters, according to several of the people familiar with the meetings. The agency is preparing for Trump-ordered layoffs, as soon as this week, that could hit roughly 10,000 probationary employees. Kliger has not returned to IRS headquarters since those initial meetings.

## EXHIBIT XVII

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# Exclusive: Musk aides lock workers out of OPM computer systems

By Tim Reid

February 2, 2025 5:32 PM EST · Updated 16 days ago



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[1/4] Protest outside the Office of Personnel Management headquarters, Washington, D.C., February 2, 2025. REUTERS/Kent Nishimura Purchase Licensing Rights [7]



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#### **Summary** Companies

Musk aides restrict access to federal employee data systems

Musk's team works around the clock, installs sofa beds at OPM

Concerns include cybersecurity and lack of oversight

WASHINGTON, Jan 31 (Reuters) - Aides to Elon Musk charged with running the U.S. government human resources agency have locked career civil servants out of computer systems that contain the personal data of millions of federal employees, according to two agency officials.

Since taking office 11 days ago, President <u>Donald Trump</u> has embarked on a massive government makeover, <u>firing and sidelining hundreds of civil servants</u> in his first steps toward <u>downsizing the bureaucracy and installing more loyalists</u>.

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Musk, the billionaire Tesla (TSLA.O) (2) CEO and X owner tasked by Trump to slash the size of the 2.2 million-strong civilian government workforce, has moved swiftly to install allies at the agency known as the Office of Personnel Management.

The two officials, who spoke to Reuters on condition of anonymity for fear of retaliation, said some senior career employees at OPM have had their access revoked to some of the department's data systems.

The systems include a vast database called Enterprise Human Resources Integration, which contains dates of birth, Social Security numbers, appraisals, home addresses, pay grades and length of service of government workers, the officials said.

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"We have no visibility into what they are doing with the computer and data systems," one of the officials said. "That is creating great concern.

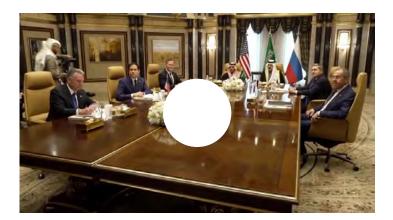
There is no oversight. It creates real cybersecurity and hacking implications."

Officials affected by the move can still log on and access functions such as email but can no longer see the massive datasets that cover every facet of the federal workforce.

Musk, OPM, representatives of the new team, and the White House did not immediately respond to requests for comment.

OPM has sent out memos that eschew the normal dry wording of government missives as it encourages civil servants to consider buyout

offers to quit and <u>take a vacation</u> to a "dream destination."



Don Moynihan, a professor at the Ford School of Public Policy at the University of Michigan, said the actions inside OPM raised concerns about congressional oversight at the agency and how Trump and Musk view the federal bureaucracy.

"This makes it much harder for anyone outside Musk's inner circle at OPM to know what's going on," Moynihan said.

#### **MUSK INFLUENCE**

A team including current and former employees of Musk assumed command of OPM on Jan. 20, the day Trump took office. They have moved sofa beds onto the fifth floor of the agency's headquarters, which contains the director's office and can only be accessed with a security badge or a security escort, one of the OPM employees said.

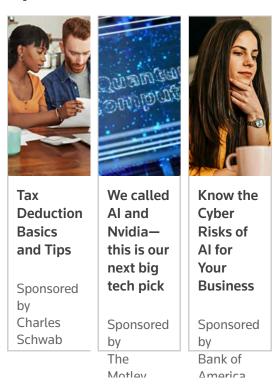
The sofa beds have been installed so the team can work around the clock, the employee said.

Musk, a major donor to a famously demanding boss, installed beds at X for employees to enable

them to work longer when in 2022 he took over the social media platform, formerly known as Twitter.

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"It feels like a hostile takeover," the employee said.

The new appointees in charge of OPM have moved the agency's chief management officer, Katie Malague, out of her office and to a new office on a different floor, the officials said.

Malague did not respond to a request for comment.

The moves by Musk's aides at OPM, and upheaval

inside the Treasury building caused <u>by other Musk</u> <u>aides</u> that was reported on Friday, underscore the sweeping influence Musk is having across government.

David Lebryk, the top-ranking career U.S. Treasury Department official, is set to leave his post following a clash with allies of Musk after they asked for access to payment systems, the Washington Post reported on Friday.

The new team at OPM includes software engineers and Brian Bjelde, who joined Musk's SpaceX venture in 2003 as an avionics engineer before rising to become the company's vice president of human resources. Bjelde's role at OPM is that of a senior adviser.

The acting head of OPM, Charles Ezell, has been sending memos to the entire government workforce since Trump took office, including Tuesday's offering federal employees the chance to quit with eight months pay.

"No-one here knew that the memos were coming out. We are finding out about these memos the same time as the rest of the world," one of the officials said.

Among the group that now runs OPM is Amanda Scales, a former Musk employee, who is now OPM's chief of staff. In some memos sent out on Jan. 20 and Jan. 21 by Ezell, including one directing agencies to identify federal workers on probationary periods, agency heads were asked to email Scales at her OPM email address.

Another senior adviser is Riccardo Biasini, a

former engineer at Tesla and most recently a director at The Boring Company, Musk's tunnelbuilding operation in Las Vegas.

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**Donald Trump** 











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## EXHIBIT XVIII

#### Exhibit 18:

### List of officers in Executive Office of the President who are appointed by Senate consent

Statute	Position(s)	
15 U.S.C. § 1023(a)(2)	Executive Office of the President a Council of Economic Advisers	
42 U.S.C. § 6612	Director of the Office of Science and Technology, Director, Associate Director, of the National Science Foundation	
42 U.S.C. § 4342	Chair Council on Environmental Quality,	
19 U.S.C. § 2171(b)	Office of the Trade Rep., US Trade Rep., Deputy Trade Rep., Chief Intellectual Property Negotiator, and Chief Agricultural Negotiator	
6 U.S.C. § 1500(b)	National Cyber Director	
31 U.S.C. § 502	Deputy Director of the Office of Management and Budget	
44 U.S.C. § 3503(b)	Office of Information and Regulatory Affairs	
41 U.S.C. § 1102(b	Office of Federal Procurement Policy	
31 U.S.C.A. § 504(b)	Office of Federal Financial Management a Controller,	
21 U.S.C. § 1703(a)(1)(A)	Office of National Drug Control Policy: Director	

## EXHIBIT XIX

Other State Department Archive Sites

The State Department web site below is a permanent electronic archive of information released online from January 1, 1997 to January 20, 2001. Please see www.state.gov for current material from the Department of State. Or visit http://2001-2009.state.gov for information from that period. Archive sites are not updated, so external links may no longer function. Contact us with any questions about finding information. NOTE: External links to other Internet sites should not be construed as an endorsement of the views contained therein.



#### **Reorganization Plan and Report (revised March 1999)**

Submitted Pursuant to Section 1601 of the Foreign Affairs Reform and Restructuring Act of 1998, as Contained in Public Law 105-277 Re-posted from the USIA web site April 14, 1999

#### **Foreword**

The Foreign Affairs Reform and Restructuring Act of 1998 provides the authority to implement the Administration's plan to reorganize and strengthen the foreign affairs agencies. This initiative, which the President announced on April 18, 1997, emerged from productive consultations with the Congress and enjoys bipartisan support. Under the leadership of Vice President Gore, the Reorganization Plan and Report being submitted today were designed with careful attention to preserve the unparalleled capabilities and skills of the foreign affairs agencies and their personnel. Reorganization enhances the ability of the United States to meet the international challenges of the next century by placing arms control and nonproliferation, public diplomacy, and sustainable development at the heart of our foreign policy. The Administration will work closely and cooperatively with the Congress to implement this integration.

This Reorganization Plan and Report, developed through the cooperative efforts of the Department of State, the Arms Control and Disarmament Agency, the United States Information Agency, and the United States Agency for International Development, describe how reorganization will be implemented. As a result, U.S. foreign policy will benefit in a number of important ways:

- · Integrating ACDA into State will better combine its unique negotiating, verification, and technical expertise with State's broad diplomatic expertise and regional experience so as to strengthen policies on arms control, nonproliferation, and other political-military affairs. Integration will also establish a structure within State that will preserve unique arms control and nonproliferation perspectives.
- · Integrating USIA and bringing public diplomacy insights into play sooner will result in more effective policies that are persuasive to foreign audiences. The infusion of USIA's strategic approach to public diplomacy, open style, close ties with non-governmental organizations (NGOs), technology

for open communications, and skillful Internet use will make U.S. foreign policy more agile.

- · The strengthened State-USAID tie will enhance the cohesiveness of our foreign policy and sustainable development and humanitarian programs, which promote reform and conflict resolution and help vulnerable people in many areas of the world.
- · The integration of policy support and management functions will create possible streamlining opportunities.

The human dimension of reorganization is vital. Specific positions are being identified for every employee who will be transferred. There are no plans for a reduction-in-force, although over time integration will yield efficiencies as well as improve effectiveness. The *Act* gives the Secretary of State the flexibility needed to align people and positions most effectively.

As integration advances, State will continue intensive efforts to reinvent itself. Integration offers more scope for this and widens the circle of opportunity to restructure and adopt best practices. State has already taken some important steps. The Under Secretaries have assumed responsibility as State's Corporate Board, chaired by the Deputy Secretary. Performance Planning has been redesigned greatly to enhance the alignment of strategy and resources.

Finally, increased efficiency is very important, but is not, by itself, enough to assure U.S. leadership in the world. For this, the foreign affairs agencies must have the wherewithal to meet growing responsibilities and take full advantage of new opportunities. American strength today results from our predecessors' bold decisions and timely investments, beginning with Lend Lease and the Marshall Plan. The Administration's plan does not propose anything this expensive, but we have to do better in order to seize the initiative. Embassy bombings in East Africa, the international financial crisis, instability in the Middle East, Kosovo, and Russia, and risks that nuclear, biological, and chemical weapons will proliferate show how the world remains dangerous and uncertain. Therefore, it is vital that our country has the resources it needs for a strong foreign policy that serves America's interests.

#### **Reorganization Plan**

#### **Section 1. Status of Agencies.**

- (a) Arms Control and Disarmament Agency. Effective April 1, 1999, the Arms Control and Disarmament Agency shall be abolished in accordance with the Foreign Affairs Agencies Consolidation Act of 1998 (the "Act"), Subdivision A, Foreign Affairs Reform and Restructuring Act of 1998, as contained in Division G of Pub. Law 105-277.
- **(b) International Development and Cooperation Agency**. Effective April 1, 1999, the International Development and Cooperation Agency shall be abolished in accordance with the Act.

- (c) United States Information Agency. Effective October 1, 1999, the United States Information Agency shall be abolished in accordance with the Act.
- (d) United States Agency for International Development. Effective April 1, 1999, the United States Agency for International Development shall continue as an independent establishment in the Executive Branch.

#### **Section 2. Transfer of Functions.**

- (a) Arms Control and Disarmament Agency. Effective April 1, 1999, all functions and authorities of the Arms Control and Disarmament Agency shall be transferred to the Secretary of State in accordance with title XII of the Act.
- **(b) International Development and Cooperation Agency.** Effective April 1, 1999, functions and authorities of the International Development and Cooperation Agency shall be transferred to the Secretary of State in accordance with title XIV of the Act.
- (c) United States Agency for International Development. Effective no later than April 1, 1999, the following functions of the United States Agency for International Development shall be transferred to the Secretary of State in accordance with title XV of the Act:
- (1) functions related to the Press Office; and
- (2) functions related to retirement counseling and processing, location of headquarters mainframe computer operations, storage of employees' household goods and other transportation and storage services, and such other functions as the United States Agency for International Development and the Department of State may agree.

The transfer of functions provided for in paragraph (2) shall be through memoranda of understanding between the United States Agency for International Development and the Department of State.

- (d) United States Information Agency. Effective October 1, 1999, all functions of the United States Information Agency, except those transferred to the Broadcasting Board of Governors under subsection (e) of this section, shall be transferred to the Secretary of State in accordance with title XIII of the Act, including functions associated with the Bureau of Information, the Bureau of Educational and Cultural Affairs, the Office of Research and Media Reaction, and Worldnet interactive dialogues and other similar overseas public diplomacy programs.
- (e) Broadcasting Board of Governors. Effective October 1, 1999, functions of the United States Information Agency related to international broadcasting shall be transferred to the Broadcasting Board of Governors in accordance with title XIII of the Act, including functions associated with the International Broadcasting Bureau, the Voice of America, Radio and TV Marti, Radio Free Europe/Radio Liberty, and Radio Free Asia, but excluding Worldnet interactive dialogues and similar overseas public diplomacy programs.

#### Section 3. Transfer of Personnel.

Personnel of the Arms Control and Disarmament Agency, the United States Agency for International Development, and the United States Information Agency shall be transferred to the Department of State and the Broadcasting Board of Governors in accordance with the Act and this Plan.

#### Section 4. Transfer and Allocation of Funds.

- (a) Arms Control and Disarmament Agency. Effective April 1, 1999, the current and expired accounts of the Arms Control and Disarmament Agency shall become separate accounts of the Department of State. Funds currently available in the current year account shall be available for obligation and expenditure for purposes authorized by law. Funds in expired accounts shall continue to be available for adjustment and liquidation of obligations until such accounts are closed as required by law, at which time any remaining funds shall be returned to the General Fund of the U.S. Treasury.
- (b) United States Agency for International Development. Effective no later than April 1, 1999, unobligated current year funds associated with the functions described in section 2(c)(1) of this Plan shall be transferred to the Secretary of State for appropriate allocation. Unliquidated obligations and related budget authority associated with such functions shall not be transferred. Funds associated with the functions described in section 2(c)(2) shall be transferred to the Department of State in accordance with memoranda of understanding between the United States Agency for International Development and the Department of State.
- (c) United States Information Agency. Effective October 1, 1999, funds appropriated to the United States Information Agency shall be transferred and allocated as follows:
- (1) <u>International Information Programs Accounts</u>. Expired International Information Program Accounts shall become separate accounts of the Department of State. Funds in expired accounts shall continue to be available for adjustment and liquidation of obligations until such accounts are closed as required by law, at which time any remaining funds shall be returned to the General Fund of the U.S. Treasury. Funds that remain available for obligation and expenditure in an International Information Programs account shall be transferred to the Secretary of State for appropriate allocation, except that such amounts as are associated with international broadcasting functions described in section 2(e) of this Plan shall be transferred to the Broadcasting Board of Governors for appropriate allocation. Funds that are deobligated and remain available for obligation and expenditure shall likewise be transferred to the Secretary of State and the Broadcasting Board of Governors for appropriate allocation.
- (2) <u>Technology Fund</u>. Funds that remain available for obligation and expenditure in the Technology Fund shall be transferred to the Secretary of State as a separate account for appropriate allocation, except that such funds associated with international broadcasting functions described in section 2(e) of this Plan shall be transferred to the Broadcasting Board of Governors for appropriate allocation. Unliquidated obligations and related budget authority shall be transferred to the same account and shall continue to be available for adjustment and liquidation. Funds that are deobligated and remain available for obligation and expenditure shall be transferred to the Secretary of State and the Broadcasting Board of Governors for appropriate allocation.

- (3) <u>Foreign Service National Separation Liability Trust Fund</u>. Funds that remain available for obligation and expenditure in the United States Information Agency Foreign Service National Separation Liability Trust Fund shall be transferred to the Department of State's Foreign Service National Separation Liability Trust Fund, except that such funds associated with international broadcasting functions described in section 2(e) of this Plan shall be transferred to the Broadcasting Board of Governors Foreign Service National Separation Liability Trust Fund. Unliquidated obligations and related budget authority shall continue to be available for adjustment and liquidation in a separate account of the Department of State, except that unliquidated obligations and related budget authority associated with international broadcasting functions described in section 2(e) of this Plan shall be transferred to the Broadcasting Board of Governors Foreign Service National Separation Liability Trust Fund.
- (4) <u>Buying Power Maintenance Account</u>. All amounts in the United States Information Agency Buying Power Maintenance Account shall be transferred to the Department of State's Buying Power Maintenance Account, except for amounts associated with international broadcasting functions described in section 2(e) of this Plan, which shall be transferred to the Broadcasting Board of Governors Buying Power Maintenance Account.
- (5) <u>Suspense Deposits Abroad</u>. The United States Information Agency Suspense Deposits Abroad account shall become a separate account of the Department of State. All amounts identified and validated shall be transferred to the Department of State's Suspense Deposit Abroad account, except for amounts associated with international broadcasting functions described in section 2(e) of this Plan, which shall be transferred to the Broadcasting Board of Governors Suspense Deposit Abroad Account.
- (6) <u>United States Information Agency Trust Funds Account</u>. The United States Information Agency Trust Funds Account shall become a separate account of the Department of State. Funds currently available in this account shall be available for obligation and expenditure for purposes authorized by law, except that funds associated with international broadcasting functions described in section 2(e) of this Plan shall be transferred to the Broadcasting Board of Governors Trust Funds Account. Unliquidated obligations and related budget authority shall continue to be available for adjustment and liquidation, except that unliquidated obligations and related budget authority associated with international broadcasting functions described in section 2(e) of this Plan shall be transferred to the Broadcasting Board of Governors Trust Funds Account.
- (7) Other Active Accounts. The following accounts shall become separate accounts of the Department of State: East-West Center, North/South Center, Educational and Cultural Exchange, National Endowment for Democracy, American Studies Endowment Fund, Israeli Arab Scholarship Fund, Eastern Europe Student Exchange, Russian Far East Technical Assistance, and United States Information Agency Office of the Inspector General. Funds currently available in these accounts shall be available for obligation and expenditure for purposes authorized by law. Funds in expired accounts shall continue to be available for adjustment and liquidation of obligations until such accounts are closed as required by law, at which time any remaining funds shall be returned to the General Fund of the U.S. Treasury.

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- (9) <u>Inactive Accounts</u>. Upon the request of the United States Information Agency, the Department of Treasury shall close all inactive accounts associated with the United States Information Agency. Such closure shall occur on or before September 30, 1999.
- (d) Authority to Reallocate. Nothing in this section shall be construed as prohibiting the Secretary of State or the Broadcasting Board of Governors from reallocating funds allocated under this section, as appropriate, in accordance with law.

## Section 5. Disposition of Property, Facilities, Contracts, Records, and Other Assets and Liabilities

- (a) Arms Control and Disarmament Agency. All property, facilities, contracts, records and other assets and liabilities of the Arms Control and Disarmament Agency shall be transferred to the Secretary of State for appropriate allocation.
- **(b) Certain Functions of the United States Agency for International Development**. All property, facilities, contracts and other assets and liabilities related to the functions transferred pursuant to section 2(c) of this Plan shall be transferred to the Secretary of State for appropriate allocation.
- (c) United States Information Agency. All property, facilities, contracts and other assets and liabilities related to the functions transferred pursuant to section (2)(d) of this Plan shall be transferred to the Secretary of State for appropriate allocation.
- (d) **Broadcasting Board of Governors**. All property, facilities, contracts and other assets and liabilities related to the functions transferred pursuant to section (2)(e) of this Plan shall be transferred to the Broadcasting Board of Governors for appropriate allocation.

#### Section 6. Reorganization of the Department of State.

- (a) Under Secretaries of State. There shall be within the Department of State an Under Secretary of State for Arms Control and International Security and an Under Secretary of State for Public Diplomacy and Public Affairs.
- (b) Senior Adviser for Arms Control, Nonproliferation, and Disarmament. Effective April 1, 1999, the Under Secretary for Arms Control and International Security shall also serve as the Senior Adviser to the President and the Secretary of State on Arms Control, Nonproliferation and Disarmament. Subject to the direction of the President, the Under Secretary may attend and

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participate in meetings of the National Security Council in his role as Senior Adviser.

- (c) Arms Control, Nonproliferation and Verification. Effective April 1, 1999, there shall be within the Department of State a Bureau of Arms Control and a Bureau of Nonproliferation, each of which shall be headed by an Assistant Secretary of State. The position of a Special Adviser for Verification and Compliance shall also be established, who shall report directly to the Under Secretary of State for Arms Control and International Security. Presidential Special Representatives shall report to the Secretary through the appropriate Assistant Secretary, who will provide support for such Special Representatives, and the Under Secretary of State for Arms Control and International Security. A scientific and policy Advisory Board on arms control, nonproliferation and disarmament shall report to the Secretary through the Under Secretary of State for Arms Control and International Security. The Bureau of Political-Military Affairs shall continue as a bureau within the Department of State. The Secretary of State shall allocate personnel and currently available funds allotted to the Department of State's Bureau of Political-Military Affairs to the Bureau of Arms Control and the Bureau of Nonproliferation in an amount appropriate to the transfer of activities to such bureaus.
- (d) Public Diplomacy. Effective October 1, 1999, there shall be within the Department of State a Bureau of Educational and Cultural Affairs, which shall be headed by an Assistant Secretary of State. In addition, there shall be an Office of International Information Programs, which shall be headed by a Coordinator for International Information Programs, who shall report directly to the Under Secretary of State for Public Diplomacy and Public Affairs.
- (e) Support functions. Budget, administrative, personnel, information technology, security, legislative, legal and other support activities of the Arms Control and Disarmament Agency and the United States Information Agency transferred to the Department of State by the Act shall be consolidated, as appropriate, with the Department of State's Bureau of Financial Management and Policy, Bureau of Administration, Bureau of Personnel, Bureau of Information Resource Management, Bureau of Diplomatic Security, Bureau of Legislative Affairs, Office of the Legal Adviser and other Department offices.

#### Section 7. Additional Transitional Matters.

- (a) To the Secretary of State. Any functions, assets, liabilities, contracts, property, records, facilities and unexpended balances of appropriations, authorizations, allocations or other funds, transferred under the Act to the Secretary of State or the Department of State but not otherwise provided for in this Plan shall be transferred to the Secretary of State for appropriate allocation.
- **(b) To the Broadcasting Board of Governors**. Any functions, assets, liabilities, contracts, property, records, facilities and unexpended balances of appropriations, authorizations, allocations or other funds, transferred under the Act to the Broadcasting Board of Governors or its Chairman but not otherwise provided for in this Plan shall be transferred to the Broadcasting Board of Governors for appropriate allocation.

#### Section 8. Construction and Relationship with Other Laws.

(a) Construction. Nothing in this Plan or its accompanying Report shall be construed as derogating

from or limiting any authority conferred by the Act on any Department or agency or on the President, the Secretary of State, the Administrator of the United States Agency for International Development, the Broadcasting Board of Governors or its Chairman, the Director of the Office of Management and Budget or any other official, including the authority to request and make incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations and other funds held, used, arising from, available to, or to be made available in connection with functions transferred by the Act.

(b) Relationship with Other Laws. Nothing in this Plan or its accompanying Report shall be construed as derogating from or limiting any authority conferred by any other law on any Department or agency or on the President, the Secretary of State, the Administrator of the United States Agency for International Development, the Broadcasting Board of Governors or its Chairman, the Director of the Office of Management and Budget or any other official, to take appropriate measures, including the authority further to reorganize or to reallocate positions or funds, consistent with any applicable provision of law, including those governing reprogramming and transfer of funds.

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#### **EXECUTIVE SUMMARY**

The reorganization of the foreign affairs agencies will preserve and improve U.S. leadership for a new century that will pose new threats and opportunities. The risks posed by chemical, biological, and nuclear weapons may grow as numerous new state and non-state actors, some with interests inimical to our own, try to obtain those weapons. Democracies, citizen organizations, and market structures will become more prominent around the world, and Americans will feel the effects of decisions they make, outside traditional government-to-government channels. As developing countries add to the international economy, environmental and demographic pressures can challenge American prosperity and security, as well as our humanitarian instincts. By integrating our national arms control, nonproliferation, public diplomacy, and sustainable development efforts into a single foreign affairs structure, we will be better able to prepare, prevent, and when necessary respond.

The Administration will work closely and cooperatively with the Congress to implement this historic reorganization. The plan is designed around our greatest strengths -- the abilities and expertise of our dedicated public servants in the foreign affairs agencies and the message America brings to the

world. Reorganization will make clear that we are creating an international affairs structure that serves the times by functioning better, faster, more flexibly, and efficiently.

The United States Information Agency (USIA) and the Arms Control and Disarmament Agency (ACDA) will be abolished and integrated into State, the Broadcasting Board of Governors (BBG) will become an independent executive branch entity, and the International Development Cooperation Agency will be eliminated. The Administrator of the United States Agency for International Development (USAID) will be under the direct authority and foreign policy guidance of the Secretary of State, and USAID's press office and certain administrative functions will move to State. About seven thousand USIA personnel -- Foreign Service, Civil Service, and Foreign Service Nationals -- are involved. Nearly three thousand will go to the BBG and the remainder will join State, as will about 250 ACDA and a few USAID employees. Under the provisions of the *Foreign Affairs Reform and Restructuring Act of 1998*, all personnel and positions shall be transferred to State at the same grade or class, with the same rate of basic pay or basic salary, and with the same tenure held immediately preceding transfer.

#### Arms Control, Nonproliferation, and International Security

ACDA will be abolished on April 1, 1999. The integrated foreign policy missions of ACDA and State's Political-Military Affairs Bureau (PM) will be under the policy oversight of the Under Secretary for Arms Control and International Security. The Under Secretary will also be Senior Adviser to the President and the Secretary of State on Arms Control, Nonproliferation, and Disarmament. Five current bureaus (four in ACDA and PM) will be reduced to three in State, all under the policy oversight of the Under Secretary. An office reporting directly to the Under Secretary will advise on verification and compliance issues. During the transition period, the Director of ACDA has been "double-hatted" as Acting Under Secretary. Under the *Act*, a scientific and policy Advisory Board will be established to advise and make recommendations to the Secretary of State on U.S. arms control, nonproliferation, and disarmament policy and activities.

#### **Public Diplomacy and Public Affairs**

USIA will be abolished on October 1, 1999. Public diplomacy programs -- designed to understand, inform, and influence foreign audiences -- will be under the direction of a new Under Secretary for Public Diplomacy and Public Affairs who will provide policy oversight over two bureaus and one office.

The Bureau of Educational and Cultural Affairs will be responsible for educational and cultural programs. The current commitment to academic and professional exchange programs will continue unabated. A separate Office of International Information Programs will produce information programs and products tailored for foreign opinion-makers. Its information efforts will focus on foreign audiences in recognition of the intent of Congress to separate overseas public diplomacy efforts from information efforts which inform the press and the American public about foreign policy. The Bureau of Public Affairs will be expanded by incorporating press relations offices of all four foreign affairs agencies and the Foreign Press Centers now operated by USIA. Public diplomacy staffs will be added to State's regional and functional staffs and bureaus.

Consistent with the *Act*, international broadcasting will remain an essential instrument of U.S. foreign policy. The BBG will be under the foreign policy guidance of the Secretary of State, who will have a seat on the BBG replacing the USIA Director. The Secretary and the Board will, however, respect the professional independence and integrity of the BBG's International Broadcasting Bureau (IBB) and its Voice of America, surrogate broadcasting services, and grantees. In cooperation with USIA and the BBG and IBB, State is developing mechanisms to transfer to the BBG and IBB those funds, resources, and personnel commensurate with administrative and other support they now

#### **International Development**

receive from USIA.

IDCA will be abolished on April 1, 1999. USAID will be a separate agency, and its Administrator will be under the direct authority and foreign policy guidance of the Secretary of State. To maximize consistency with overall U.S. international affairs priorities, the Secretary will ensure coordination among agencies of the United States Government in carrying out the policies contained in relevant foreign assistance legislation. The Secretary will coordinate development and other economic assistance, and review USAID's strategic plan and annual performance plan, annual budget submission and appeals, and allocations and significant (in terms of policy or money) reprogrammings of development and other economic assistance. In this context, the Secretary will delegate or re-delegate to USAID the functions and authorities that USAID needs to carry out its mission. Under the direct authority and foreign policy guidance of the Secretary, the Administrator will create development policy, implement development and other economic assistance programs, and manage and administer assistance programs. State and USAID will establish more mechanisms for consultation and coordination. The International Cooperative Administrative Support Services (ICASS) system will be the basis for shared administrative services for USAID missions overseas.

#### **Policy Support and Management Functions**

- · **Legal Affairs** -- ACDA's and much of USIA's legal staffs will join State's Legal Adviser's Office. The Legal Adviser will be assisted by a new Associate Legal Adviser, whose portfolio will be devoted primarily to arms control and nonproliferation issues, and an Assistant Legal Adviser for Public Diplomacy.
- · Congressional Liaison -- Units of ACDA and USIA will join State's Bureau of Legislative Affairs, providing new senior policy advisers.
- **Press and Public Affairs** -- Press relations staffs from all four agencies will be drawn together under the Bureau of Public Affairs, which will be responsible for issuing all press statements and press releases for State and USAID.
- Management -ACDA's and USIA's central management functions will be integrated in units under the oversight of the Under Secretary of State for Management. These functions include information resource management, overseas facilities and operations, domestic facilities, logistics, diplomatic security, financial management, grants, human resources, and training.
- Executive Offices -- At the bureau level the new administrative units will be similar to current State models.

#### **State Reinvention**

Reinvention of State will be accelerated and bolstered by new talents, strengths, and assets acquired through enhanced integration of foreign affairs agencies. State has already taken significant reinvention steps:

- The Under Secretaries have assumed responsibility as the Corporate Board, meeting weekly under the chair of the Deputy Secretary to address major cross-cutting issues and conduct strategic planning.
- · Performance Planning has been redesigned to align strategy and resources better under the International Affairs and State Strategic Plans.
- · State's Overseas Staffing Model is helping prioritize and define staffing levels for the next century at our missions in the field.
- · State has revitalized capital planning for facilities and investment in information systems, two critical but high-cost areas.
- · State has consolidated its information technology (IT) professionals into a new Bureau of Information Resource Management under the leadership of the Chief Information Officer, creating a strong focus on IT issues and modernization.
- · State has developed and implemented the International Cooperative Administrative Support Service (ICASS), a transparent system which maximizes shared administrative services for agencies abroad. ICASS uses the concept of best practices and considers the cost and quality of services.
- · State has reengineered its logistics system and built a nimble structure which delivers improved responsiveness and customer service, incorporates electronic commerce and features an Internet acquisition website, with information on procurement opportunities at State's installations worldwide.
- · State has created a new Bureau of Western Hemispheric Affairs, by moving Canada into the former Bureau of Inter-American Affairs. This change emphasizes the importance of NAFTA and is an example of our strengthened policy focus on economics and global issues.

But this is only the beginning. Bringing together the talented professionals of State, USIA, and ACDA in a single organization will afford opportunities for further reinvention. The Administration will be examining steps to better integrate related activities now conducted in several places in State and USAID, and to otherwise improve our ability to deal with both traditional and new problems.

#### I. The Department of State

The plan to reorganize the foreign affairs agencies called for a foreign policy apparatus to meet the demands of a new era in international relations. The structure proposed for State reflects this mandate. It was designed with careful attention to the Vice President's anticipation that reorganization preserve the unique skills and capabilities of all foreign affairs agencies and their personnel. The design strengthens the arms control, nonproliferation, and political-military missions, and more closely integrates public diplomacy and assistance activities into overall U.S. foreign

policy and the conduct of diplomatic relations. It puts missions and resources into a more unified structure.

#### How Reorganization Makes U.S. Foreign Policy Stronger

Reorganization of the foreign affairs agencies will strengthen our ability to achieve U.S. international affairs goals. Integrating the mission, programs, and personnel of USIA will bring public diplomacy to the core of foreign policy, yielding a stronger capability to understand, inform, and influence foreign publics and policy-makers. USIA's public diplomacy and communications professionals will infuse State with their own sophisticated information management skills and media tools. When public diplomacy perspectives come into play from the outset as policy is formulated, U.S. policy articulation will be clearer and more persuasive to foreign publics and governments.

Integration of arms control, nonproliferation, and disarmament functions with international security assistance activities will complement the activities of each and strengthen the effectiveness of the whole. Consistent with our objective to ensure a strengthened role for arms control and nonproliferation at State, the lead for all new negotiations on these issues and related policy development and backstopping will reside in the functional bureaus. The Secretary of State will be better able to assess treaty verification and compliance, lead the interagency nonproliferation process, and play an enhanced role in the arms control interagency process. State will also be better able to contribute to the coordination of foreign and defense policy and deploy more effectively the broad tools of diplomacy to promote arms control and nonproliferation. The new structure will bring greater focus to priority defense policy issues -- preventing the proliferation of weapons of mass destruction and overseeing the transfer and control of conventional arms and technologies.

#### What State Will Look Like

The movement of boxes on organization charts is less important than the impact on mission, but State will look different. The incorporation of USIA and ACDA functions will add one new Under Secretary and greatly expand the portfolio and reporting structure of another. It will consolidate six bureaus from two agencies into three State bureaus and one major office. Integration will join more than 4,000 skilled American and Foreign Service National personnel, including public diplomacy experts, communications and media specialists, treaty negotiators, nonproliferation experts, and verification analysts, with colleagues at State. All full-time permanent positions from ACDA and USIA (except for those associated with the Broadcasting Board of Governors) and eight USAID positions will be transferred to State. Also to be transferred are all part-time, intermittent, and temporary positions and the full range of program and support funding.

A new Under Secretary of State for Public Diplomacy and Public Affairs will exercise policy oversight for the Bureau of Educational and Cultural Affairs, the Office of International Information Programs, and the Bureau of Public Affairs.

The Bureau of Educational and Cultural Affairs will be responsible for exchange and academic programs. The Office of International Information Programs will produce information programs and products tailored to influence foreign opinion makers. This Office will focus on programs and

products for foreign audiences in recognition of the intent of Congress to separate overseas public diplomacy efforts from information efforts which inform the press and the American public about foreign policy. State's Bureau of Public Affairs will be expanded by incorporating the press relations offices of all four foreign affairs agencies and the Foreign Press Centers now operated by USIA. USAID will retain its non-press public affairs functions. The Bureau will continue to inform domestic audiences and the press about U.S. foreign affairs activities. It will also continue to sponsor outreach and domestic speakers programs to engage the American public on foreign policy issues. State's regional and functional staffs and bureaus will acquire public diplomacy staffs. Regional bureaus will assume oversight responsibility for field public diplomacy operations.

The addition of ACDA's arms control, nonproliferation, disarmament, and verification functions will strengthen the role of the transformed Under Secretary for Arms Control and International Security, enhancing State's capabilities in international security matters. The Under Secretary will also serve as Senior Adviser to the President and the Secretary of State on Arms Control, Nonproliferation, and Disarmament. State will integrate the operations of the Bureau of Political-Military Affairs (PM) with those of ACDA. The Under Secretary will provide policy oversight for three bureaus.

- The Bureau of Arms Control will be responsible for international agreements on conventional, chemical/biological, and strategic forces, treaty verification and compliance, and supporting ongoing negotiations, policy-making, and interagency implementation efforts. The Bureau will have an enhanced role in the NSC-chaired arms control interagency policy process.
- The Bureau of Nonproliferation will lead efforts to halt the spread of nuclear, chemical, biological, and conventional weapons and missiles capable of delivering weapons of mass destruction, secure nuclear materials in the New Independent States of the former Soviet Union, and promote protection of nuclear materials worldwide. The Bureau will have primary responsibility for leadership in the interagency policy process for nonproliferation issues.
- · The Bureau of Political-Military Affairs will retain most of its current international security policy and operational functions. It will be responsible for issues relating to security assistance, arms transfers, defense trade controls, and political-military and defense cooperation in critical infrastructure protection, contingency planning, crisis management, and peacekeeping. The Assistant Secretary for Political-Military Affairs will contribute significantly to stronger State efforts on regional security issues and better articulation of State's views on defense policies with foreign policy implications.
- · A Special Adviser reporting directly to the Under Secretary will advise on verification and compliance issues and prepare compliance reports to Congress.

  After two years, all regional and functional staff and bureau configurations will be reviewed to determine whether the present structure remains the best one.

What will not change in State as it incorporates elements of USIA and ACDA into Congressional, legal, press, and management operations is the quality of these critical functions. The Secretary of State will continue to receive top-notch legal advice, but this advice will support a broader programmatic mandate. She will still be supported on Capitol Hill by legislative experts, but they

will represent an expanded portfolio of policy interests. The spectrum of management support operations will continue, but with newly integrated resources, facilities, and efficiencies.

State will have a closer relationship to USAID. The International Development Cooperation Agency will be abolished, and the USAID Administrator will be under the direct authority and foreign policy guidance of the Secretary of State. In this context, the Secretary will review USAID's strategic plan and annual performance plan, annual budget submission and appeals, and allocations and significant reprogrammings of development and other economic assistance. The two agencies will expand shared administrative functions.

Our posts and missions abroad will be even more integrated than now. Public Affairs Officers will become embassy and mission section heads. ACDA overseas administrative units will be integrated with embassy and mission administrative sections. USAID budgeting and planning at overseas missions will be consistent with overall Mission Performance Plans, and the Chief of Mission will approve the USAID mission's country assistance strategy and assessment of program performance and request for resources. State and USAID will utilize the International Cooperative Administrative Support Service (ICASS) system to maximize shared administrative services consistent with its goals of quality and cost-effectiveness.

#### **People - Our Greatest Asset**

State will offer more career opportunities to both the Civil Service and the Foreign Service. Civil Service employees will be able to compete for positions among a wider field of career possibilities, the breadth of which will particularly benefit former ACDA and USIA employees. In keeping with the changing requirements of international affairs in the 21st century, State will offer more opportunities for retraining and upgrading skills.

USIA brings to State an innovative system for career development and training for Civil Service employees. For State to reach its potential, greater personnel flexibility and opportunities for overseas tours for Civil Service employees will be essential. State Foreign Service personnel will benefit from the opportunity to bid on and serve in new positions in arms control, nonproliferation, and public diplomacy -- acquiring needed skills in these fields, which are so essential to modern diplomacy. The merger of USIA into State will bring about a fifth Foreign Service career cone - public diplomacy. Public diplomacy officers will be able to bid on Washington assignments which include public diplomacy and public affairs positions in the regional and functional bureaus, as well as assignments in other cones. USIA executive officers will become administrative officers in State and be able to bid on all administrative assignments as well as on assignments in other cones. New access to multi-functional assignments will give these officers opportunities for advancement to a wider range of senior positions, and give officers in other cones more exposure to public diplomacy and communications skills needed in the age of information.

Collectively, all State elements must focus more on training our foreign national colleagues, who make such important contributions to our overall efforts abroad.

#### Reorganization and Reinvention

Reorganization will streamline administrative and management operations and lead to greater efficiencies while building on the diverse strengths of the merging organizations and their employees. Prior to ICASS, independent agencies operating at the same posts overseas inevitably brought a degree of redundancy to their administrative functions. Important operating efficiencies have been achieved through ICASS. At home, State will achieve efficiencies by merging State and USIA administrative systems in such areas as payroll and accounting. Over time, other systems and especially communications technology will be merged. For example, USIA will bring to State a strong technical capacity for open communications, greater Internet access, and other communications tools that will complement State's extensive secure communications network.

Reinvention at State will be accelerated and bolstered by integration as new talents, strengths and assets are brought in, affording more opportunities for reinvention. State will also initiate new reinvention efforts building on the strengths which come from integration. State has already taken a number of steps which reflect its strong emphasis on improving effectiveness and building a firmer foundation for effective integration; these are detailed in Chapter VIII.

## II. The Arms Control, Nonproliferation, and International Security Mission

## What Will Happen to the U.S. Arms Control and Disarmament Agency (ACDA)

#### **Current Responsibilities**

99/03 (revised) reorganization plan and report 62-TDC

ACDA's mission is to strengthen national security by formulating, advocating, negotiating, implementing, and verifying effective arms control, nonproliferation, and disarmament policies, strategies, and agreements. ACDA also ensures that arms control concerns are fully integrated into the development and conduct of U.S. national security policy. In addition, ACDA's Director functions as the principal adviser to the President, the National Security Adviser, and the Secretary of State on arms control, nonproliferation and disarmament matters.

ACDA's four bureaus have specialized expertise and responsibility in the following areas:

- Intelligence, Verification, and Information Management -- Covers the full panoply of arms control intelligence, verification, compliance, and technology issues.
- · **Multilateral Affairs** -- Develops U.S. policy, strategy, and tactics for multilateral negotiations and implementation, including the Chemical and Biological Weapons Conventions, the Comprehensive Nuclear Test Ban Treaty, and the Fissile Material Cutoff Treaty; staffs and backstops these efforts, and leads ACDA efforts on conventional arms control in Europe.

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- · Nonproliferation and Regional Arms Control -- Develops and implements policies for nonproliferation of nuclear, chemical, biological, and conventional weapons and missile delivery systems, export controls for related U.S. products, and regional arms control measures.
- · Strategic and Eurasian Affairs -- Leads U.S. efforts in nuclear arms control with the New Independent States (NIS) of the former Soviet Union and China, including the Strategic Arms Reduction (START) I and II, and negotiations on future reductions, Intermediate-Range Nuclear Forces (INF), and Anti-Ballistic Missile (ABM) treaties.

The Under Secretary for Arms Control and International Security Affairs (T) provides policy oversight of and coordinates arms control, nonproliferation, and security assistance policy for State. The Bureau of Political-Military Affairs (PM) is responsible for formulating and implementing policies on such national security issues as nonproliferation of weapons of mass destruction and missile technology, nuclear and conventional arms control, arms export controls, and regional security assistance programs and initiatives. PM also acts as State's primary liaison with the Department of Defense on security assistance issues and on the implications of U.S. foreign policy.

#### Personnel

ACDA currently has 245 full-time permanent positions, 48 reimbursable positions, and three nonreimbursable ones.

Within State, PM has 262 full-time permanent positions and 29 non-reimbursable ones. The Under Secretary's office has a staff of nine full-time permanent positions.

#### **Key Issues Considered**

The security issues facing America today are quite different from those of 10 years ago. The macro issues include:

- · Nonproliferation -- Nonproliferation of dangerous weapons and technologies, encompassing weapons of mass destruction and advanced conventional weapons and delivery systems, has high priority. Decades of work have put norms and regimes in place, but much work with problem states lies ahead. Integrating the assets of ACDA and State will help implement international structures already in place and address current proliferation challenges.
- · Critical Infrastructure Protection -- Safeguarding the nation's critical infrastructure from a new category of threats to national security posed by and to interconnected information systems is emerging as a key issue. Along with countering the smuggling of nuclear materials, critical infrastructure protection (CIP) involves coordination with domestic as well as defense agencies and other countries. Under the new structure, we will be equipped to address this growing security problem by increasing and consolidating our resources devoted to it.
- · Force Reduction -- Reducing forces is also a priority. Major negotiations are anticipated on START III and are underway on the adaptation of the Conventional Armed Forces in Europe (CFE) treaty. A

large number of existing agreements need to be implemented.

- **Defense Policy** -- When military force is used in support of diplomacy, State plays a major role in shaping defense policies that have major foreign policy implications. The new structure reallocates resources for this function and makes it a primary role of PM.
- Monetary Incentives -- These have become increasingly important in today's diplomacy. Nunn-Lugar assistance, which helps the NIS countries decommission weapons and convert from military to peacetime industries, is a creative way to advance foreign policy goals, in this case with Department of Defense funds. State should have the capability to participate actively in long-term planning and current programming to support optimum use of funds to promote arms control objectives.

#### **Proposed Integration into State**

Under the guidelines set out in the Vice President's plan, integrating ACDA into State will preserve and strengthen the effectiveness of the arms control, nonproliferation, disarmament, and security assistance functions. After considering a wide range of possible groupings, a streamlined structure was chosen that will reduce the number of bureaus in the two agencies from five to three and cut the number of executive-level Presidential appointees from eight to four. To increase efficiency and facilitate allocation of resources, a single administrative office will be established to support the three bureaus. The role of each new unit will be as follows.

#### **Under Secretary**

On April 18, 1997, the President announced that the ACDA Director would be double-hatted as the Under Secretary for Arms Control and International Security and then the two positions will be merged as Under Secretary/Senior Adviser to the President and Secretary of State, who will be able to communicate with the President through the Secretary of State. In the capacity of Senior Adviser, the Under Secretary will attend and participate, at the direction of the President, in NSC and its subordinate meetings (Presidential Decision Directive 65). The office will have 13 full-time permanent positions (four from ACDA and nine from State). The Under Secretary will exercise policy oversight for three bureaus: Arms Control, Nonproliferation, and Political-Military Affairs.

Special representatives and envoys now reporting to the ACDA Director will be supported by the relevant Assistant Secretary and report to this Assistant Secretary and the Under Secretary.

A new scientific and policy Advisory Board on arms control, nonproliferation and disarmament, authorized by the *Foreign Affairs Reform and Restructuring Act of 1998*, will report to the Secretary through the Under Secretary, who will maintain operational authority over the Board, including designation of members and staff (two full-time permanent positions from ACDA).

The verification and compliance function will be managed through both an oversight unit and a staff support unit. A Special Adviser for Verification and Compliance, with a staff of six full-time permanent positions and one reimbursable position, all from ACDA, will report directly to the Under Secretary on critical verification and compliance issues and prepare compliance reports to Congress. Thus the Under Secretary will receive verification and compliance assessments independent of the

bureaus responsible for negotiating and implementing agreements. In addition, a larger group of verification and compliance specialists in the Bureau of Arms Control will provide policy, technical, and analytical support.

Additionally, four positions (two full-time permanent, one reimbursable, and one non-reimbursable - all from ACDA) will move to the Bureau of Intelligence and Research to provide direct intelligence support as well as a robust interface with the Intelligence Community.

#### Political-Military Affairs Bureau

The Political-Military Affairs Bureau will support the Secretary and the Under Secretary in playing a larger role in security and defense policy. It will provide analytical support for the Secretary and the Under Secretary on defense-related foreign policy issues, contribute to the coordination of peacekeeping and other military operations, and assume greater responsibilities with regard to crisis management. The Bureau will be responsible for a cluster of issues involving arms transfers and defense trade controls, and political-military and defense cooperation in critical infrastructure protection, and will support the Under Secretary in coordinating security assistance. The Assistant Secretary for Political-Military Affairs will contribute to a stronger State effort on regional security issues and give State a more informed voice on defense policies with major foreign policy implications.

The Bureau will have 142 full-time permanent positions (nine from ACDA and 133 from PM), one reimbursable position (from ACDA), and 23 non-reimbursable ones (all from PM).

#### **Arms Control Bureau**

The Arms Control Bureau will support the Secretary and the Under Secretary in leading efforts to negotiate new agreements, primarily START III and other future strategic arms control agreements, and negotiating efforts in the Conference on Disarmament (CD), <u>e.g.</u>, fissile material cutoff treaty, ban on the transfer of antipersonnel landmines. It will have the equally important task of implementing a large number of existing agreements, including ABM, INF, START I, START II, CWC, and BWC, and of preparing to implement CTBT. The Bureau will assume the U.S. lead for negotiations and policy development related to Confidence and Security-Building Measures (CSBMs), Open Skies, Dayton Article V negotiations, verification and information for European arms control, have responsibilities with respect to CFE Treaty issues, and participate fully in the Task Force on CFE under the Under Secretary.

The Verification and Compliance staff will contribute primarily to ongoing negotiations, technology policy coordination, policy analysis, information management, arms control efforts relative to critical infrastructure protection, and interagency implementation efforts.

Consistent with our objective to ensure a strengthened role for arms control and nonproliferation in State, the lead for all negotiations on these issues and related policy development and backstopping will reside in the new functional bureaus. But, because of the sensitive stage of current negotiations on CFE and directly related CSBMs, these negotiations will temporarily continue to be handled

under existing arrangements with the regional bureaus, under the direction of the Under Secretary, along with a Special Representative and Task Force under the Under Secretary's leadership, established for policy direction and coordination with all relevant bureaus and offices. This arrangement will be reviewed in 1999 with a view to consolidating the lead in the Arms Control Bureau at the earliest practicable date.

The Bureau will have 144 full-time permanent positions (109 from ACDA and 35 from PM), 37 reimbursable positions (all from ACDA), and four non-reimbursable ones (two from PM and two from ACDA).

#### Nonproliferation Bureau

One goal of integrating ACDA and State is to give new emphasis to a broad range of efforts to curb proliferation of dangerous weapons and delivery systems. The Nonproliferation Bureau's role is to do this, including by supporting the Secretary and the Under Secretary in leading the nonproliferation interagency policy process.

The Bureau will be responsible for nuclear nonproliferation, e.g., supporting the International Atomic Energy Agency (IAEA), implementing the Nuclear Non-Proliferation Treaty (NPT), securing nuclear materials in the NIS, disposing of stockpiles of fissile materials, advancing civil nuclear cooperation under safe and sound conditions, and promoting effective protection, control, and accounting of nuclear material worldwide. It will press for nonproliferation of chemical and biological weapons and missiles, and promote restraint in transfers of conventional arms. The Bureau will also pursue regional and bilateral initiatives designed to reduce proliferation pressures and destabilizing arms acquisitions.

As part of the consolidation of activities in ACDA and State, some staff will be shifted in order to expand critical nonproliferation efforts and enhance State's security assistance capabilities.

The Bureau will have 130 full-time permanent positions (48 from ACDA and 82 from PM), six reimbursable positions (all from ACDA), and four non-reimbursable ones (all from PM).

#### **Executive Office**

A single Executive Office, reporting to the Assistant Secretary for Nonproliferation, will provide the full range of administrative support services to all three bureaus. It will have 38 full-time permanent positions (26 from ACDA and 12 from PM).

#### **Positive Outcomes**

The three-bureau structure will put the Secretary and State in a strong position to:

· Bring foreign policy considerations to bear on defense issues;

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- · Negotiate, implement, and verify arms control agreements; and
- · Pursue effective policies for nonproliferation of dangerous weapons.

This structure will also provide the Under Secretary with effective tools to carry out other elements of the President's decision, including advising the Secretary and the President on arms control, nonproliferation, and disarmament, assessing verification and compliance, leading the nonproliferation interagency process, and playing a stronger role in the interagency arms control process.

The integrated structure is designed to focus more effort on the priority issues of defense-related foreign policy, security assistance, and the transfer and control of conventional arms and technologies.

# III. The Public Diplomacy and Public Affairs Missions

We place very high priority on public diplomacy with foreign audiences, and are firmly committed to integrating public diplomacy more fully into foreign policy. Our goal is to strengthen public diplomacy through its integration into the policy process. Negotiations on such issues as NATO enlargement, Iraqi sanctions, and global climate change show the value of being proactive in informing and influencing foreign publics, NGOs, and others. These audiences are playing greater roles on international issues as communications improve and pluralism expands. When public diplomacy strategies are applied from the outset as policy is formulated, policy and its articulation will improve and be more persuasive to foreign publics and policy-makers.

# What Will Happen to the U.S. Information Agency (USIA)

# **Current Responsibilities**

Public diplomacy promotes U.S. national security and other interests by seeking to understand, inform, and influence foreign publics and policy-makers, and by broadening the dialogue between American citizens and institutions and their counterparts abroad. In comparison, public affairs is the provision of information to the press, the American people, and others about the policies and activities of the U.S. government.

Different aspects of the public diplomacy mission roughly correspond to the role of each of the Agency's current major programmatic elements (current USIA broadcasting functions are enumerated in Chapter IV on International Broadcasting):

· Bureau of Information (I), Area Offices, and USIS Posts Abroad -- Inform and seek to influence foreign opinion-makers by presenting U.S. positions on policy issues through a variety of products,

including the daily Washington File, expert speakers (in person and in digital video or telepress conferences), Information Resource Centers overseas, electronic journals and Web sites, and print publications.

- Bureau of Educational and Cultural Affairs (E), Area Offices, and USIS Posts Abroad -- Broaden long-term dialogue with foreign publics through a variety of person-to-person exchanges, including the Fulbright Program for scholars, teachers, and students; the International Visitors program to bring foreign leaders to the U.S.; Citizen Exchanges efforts to develop international exchange programs through nonprofit American institutions; and programs to affiliate U.S. and foreign academic institutions, advise foreign students about American colleges and universities, foster the teaching abroad of U.S. studies and the English language, and strengthen educational institutions abroad.
- · Office of Research and Media Reaction (R) -- Seeks to understand foreign publics through opinion polling abroad and, utilizing reporting from USIS posts abroad and other media, to analyze attitudes toward U.S. policies and activities in the foreign media.

#### **Personnel**

USIA currently has 6,715 full-time permanent positions, of which 2,689 are engaged in broadcasting activities. The remaining 4,026 consist of 652 Americans and 2,080 Foreign Service Nationals (FSN) overseas, and 1,294 positions in the U.S.

### **Key Issues Considered**

**Budget Structure** -- Funding for public diplomacy (excluding exchange and academic programs, which have and will continue to have their own appropriations) will be incorporated through increases to existing Congressional appropriations to State for Diplomatic and Consular Programs Abroad, the Security and Maintenance of Buildings Abroad, Representation Allowances, Emergencies in the Diplomatic and Consular Service, and the Capital Investment Fund. In the appropriation for Diplomatic and Consular Programs Abroad, State will separately plan for, identify, and account for public diplomacy resources for programs and products aimed at foreign audiences, and foreign national personnel and other programmatic expenses of public diplomacy sections of embassies and missions abroad and in appropriate offices in State.

**Organizational Structures** -- We examined ways to promote maximum appropriate synergy of public diplomacy and public affairs activities under the oversight of the new Under Secretary for Public Diplomacy and Public Affairs.

Smith-Mundt and Zorinsky Amendments -- In legislation over the years, Congress has restricted USIA's public diplomacy apparatus from being used to influence U.S. public opinion. The Foreign Relations Authorization Act of 1972 amended the Smith-Mundt Act of 1948 to include a ban on disseminating within the United States any "information about the United States, its people, and its policies" prepared for dissemination abroad. The Zorinsky Amendment added a new prohibition: "no funds authorized to be appropriated to the United States Information Agency shall be used to influence public opinion in the United States, and no program material prepared by the United States Information Agency shall be distributed within the United States." The *Foreign Affairs Reform and* 

*Restructuring Act of 1998* (the *Act*) addresses the application of these restrictions to State, giving it the flexibility to allocate personnel and other resources effectively and efficiently. In integrating USIA, State will observe all applicable legal restrictions.

Consistent with Congressional intent, public diplomacy information efforts will focus on programs and products for foreign audiences. Exchange programs will continue to engage American and foreign participants and organizations under the Mutual Educational and Cultural Exchange Act of 1961 (Fulbright-Hays).

Public diplomacy has diplomatic aspects. As an example public diplomacy officers engage foreign audiences with techniques, language skills, and area knowledge not duplicated in domestic public affairs activities. At the same time, much policy content in public diplomacy and public affairs is the same for foreign and domestic audiences, e.g., State's daily press briefings and fact sheets on policy issues. These messages are delivered both to domestic and foreign audiences by many of the same media, e.g., CNN, the World Wide Web, and international wire services. More than half of the journalists whom State serves on a daily basis work for foreign media, and State and USIA web pages can be accessed from anywhere.

### **Proposed Integration into State**

## **Under Secretary**

The Under Secretary for Public Diplomacy and Public Affairs will advise the Secretary on public diplomacy and public affairs and provide policy oversight for the Bureau of Public Affairs; the Bureau of Educational and Cultural Affairs, which will be responsible for exchange and academic programs; and the Office of International Information Programs, which will produce public diplomacy programs and products tailored to influence foreign opinion-makers. The Under Secretary or his or her designee will also chair the interagency Core Group on international public information (IPI), which will develop and coordinate U.S. public information strategies and activities to address regional and transnational threats and crises. The office will have nine full-time permanent positions, all from USIA.

#### **Bureau of Educational and Cultural Affairs**

The bureau will be formed from the staff of USIA's current Bureau of Educational and Cultural Affairs. Additionally, a

staff of twelve full-time permanent positions, formerly in the USIA General Counsel's office, will report to the Assistant Secretary and be responsible for exchange visitor program designations; one additional full-time permanent position, responsible for film attestations under the Beirut Convention, will also transfer to the Assistant Secretary's office; as will nine positions involved in grants management that were originally in the USIA central contracts office.

The Assistant Secretary will also be supported by the continuing efforts of the Cultural Property Advisory Committee and the Fulbright Scholarship Board (three full-time permanent positions).

It will have 286 full-time permanent American positions domestically, plus 11 overseas.

### Office of International Information Programs

International information activities will continue to emphasize rapid response, cross-functional teamwork, and field orientation. Thus, the achievements of USIA's innovative Bureau of Information, launched four years ago as a Reinvention Laboratory based on Vice President Gore's National Performance Review and the best practices of private industry, will be maintained and strengthened under the leadership of the Coordinator for International Information Programs.

These public diplomacy products will be available to all bureaus and overseas posts, to provide them with the assistance they need to advance U.S. interests abroad. Public diplomacy programs will be prepared in response both to Washington initiatives and to post needs. Guided by country information, including polling data, and other available information, the assistance provided in these programmatic packages, will enable the field to aggressively promote our foreign policy goals through world-class information services.

There will be a total of 219 full-time permanent American domestic positions plus 16 overseas American and one FSN, including the former Office of Strategic Communications (six full-time permanent positions and one non-reimbursable position).

#### **Bureau of Public Affairs**

The three USIA foreign press center operations and its offices in Washington, New York, and Los Angeles (24 full-time permanent positions) will be transferred to the Bureau of Public Affairs. One position from ACDA's Bureau of Public Affairs will transfer to State's Office of the Historian, located in PA.

BBG personnel who carry out Worldnet TV interactives (12 full-time permanent positions) will be transferred to State's Bureau of Public Affairs, as will the BBG's Foreign Broadcast Support Unit (eight full-time permanent positions). Worldnet TV interactives will continue to promote dialogues with foreign audiences via international satellite programs.

### Public Diplomacy in Regional and Functional Staffs and Bureaus

USIA's area offices will integrate where practical and efficient into State's regional bureaus (123 fulltime permanent positions), building on the successful European Bureau/Office of West European Affairs model. These will coordinate public diplomacy activities of their respective embassies and missions abroad. Overseas 445 full-time permanent American positions and 1,720 FSN positions will engage in public diplomacy work.

Public diplomacy personnel (initially 25 full-time permanent positions, drawn from USIA's staff, area, and support offices) will be added to State's functional staffs and bureaus. These units will advise on policies from a public diplomacy perspective, and help develop public diplomacy strategies on regional and thematic basis to promote such U.S. national goals in areas such as counter terrorism, narcotics, arms control, and nonproliferation.

## **Other Public Diplomacy Integration**

State's International Affairs Strategic Plan will encompass public diplomacy goals, and respective

Bureau and Mission Performance Plans will reflect targets and projects for each region, country, and functional area.

USIA's Office of Research and Media Reaction will be merged with into the Bureau of Intelligence and Research. We will look to even more sophisticated ways to understand and evaluate trends in foreign opinion. The Office has a public opinion research function (35 full-time permanent positions) and a media reaction division (six full-time permanent positions).

The Bureau of Educational and Cultural Affairs and the Office of International Information Programs will be supported by a single administrative office drawn from existing support positions, plus the transfer of 32 full-time permanent positions from USIA's current Management Bureau, which has been providing support services.

Similar State and USIA information-related support functions will be combined into existing State structures. USIA's print operations and associated support (22 American and 91 foreign national full-time permanent positions) will join State's. Domestic library activities will be combined (two full-time permanent positions.) Efforts to promote U.S. foreign policy on the Internet will be combined and coordinated.

#### **Positive Outcomes**

This structure will bring together all elements charged with presenting and interpreting U.S. foreign policy to public audiences. It will give public diplomacy practitioners greater access to the foreign policy formulation process. The new structure will ensure that the policy content of State's domestic and international outreach programs is consistent and coordinated, yet tailored for specific target audiences. It will ensure that all applicable legal requirements are adhered to. And it will strengthen State's Bureau of Public Affairs by increasing its press expertise.

By placing public diplomacy staffs in State's regional and functional staffs and bureaus, the new structure will offer a better integrated mechanism for identifying and acting on priority public diplomacy issues, and coordinating Washington resources with the needs of the field. International broadcasting will preserve its editorial integrity while adding new services and maintaining close ties with State, complementing other U.S. public diplomacy efforts in support of U.S. foreign policy interests.

# IV. INTERNATIONAL BROADCASTING

Open communication of ideas and information to the people of the world is a critical element of U.S. foreign policy. The mission of conveying news and information is carried out, in substantial part, by the Voice of America and other U.S. Government-funded international broadcasters.

# What Will Happen to the Broadcasting Board of

# Governors (BBG)

## **Current Responsibilities**

All nonmilitary U.S. Government-funded international broadcasting, including the Voice of America and surrogate broadcasting, is administered through the BBG. It has nine presidentially appointed, Senate-confirmed members, including the USIA Director. The BBG is a self-governing element within USIA, and receives administrative, technical, and management support from other elements of USIA.

Broadcasting seeks to inform and influence foreign publics. The key elements are:

- · International Broadcasting Bureau (IBB) -- The Voice of America, the Worldnet Television and Film Service, and Radio and TV Marti broadcast international news, commentaries, editorials, roundtable discussions, features and programming about the United States, its people, and its foreign policies. VOA broadcasts more than 900 hours of programming per week in 53 languages, and reaches an estimated 86 million people each week from IBB transmitter stations worldwide and through leased satellite links.
- · BBG Grantees -- The BBG grantees, including Radio Free Europe/Radio Liberty (which incorporates Radio Free Iraq and the Farsi language service) and Radio Free Asia, broadcast local, regional, and international news and seek to inform and influence foreign publics. The grantees are private, non-profit organizations which receive all of their funding from the BBG.

## **Personnel**

At present, 2,689 full-time permanent employees of USIA are employed directly in broadcasting activities. Additional USIA employees, both domestically and internationally, provide support services to the BBG and its elements. The BBG grantees separately employ broadcast staffs that are not employees of USIA.

#### **Future International Broadcasting**

Under the Foreign Affairs Reform and Restructuring Act of 1998, the BBG will become an independent federal entity by October 1, 1999. Consistent with the Act, international broadcasting will remain an essential instrument of U.S. foreign policy. The Board (including the Secretary of State, who will be a statutory member of the Board) and State will respect the professional independence and integrity of U.S. international broadcasting.

The Director of the IBB, as mandated by the Act, will organize a coordinating committee to examine and make recommendations to the Board on long-term broadcasting strategies.

# **Key Issues Considered**

The principal issue considered in connection with the pending independence of the BBG was the

identification of the support resources of USIA currently used by the BBG and its elements. Under the *Act*, those activities now in USIA which are dedicated to carrying out the broadcasting function will be located in the BBG when it becomes a separate entity. In addition, the Secretary of State, with the concurrence of the BBG, will transfer to the BBG funds, resources and personnel commensurate with the administrative, management and other support they currently receive from USIA.

Personnel, salaries, operating funds, and equipment commensurate with the support currently provided by USIA to the BBG and the IBB will be transferred in support areas such as administration, technology, legal, marketing, EEO, management, personnel, payroll, accounting, security, and contracting. The transfer will be made on a pro-rata basis using current (FY-99) assets as the baseline. In some cases, the services necessary to support a new, stand-alone agency (including start-up costs) are higher than the services currently provided to the BBG. In these cases, the additional resource requirements will be filled by State's adjusting the transfer or a reallocation of resources within the BBG. Sixty-six USIA full-time permanent positions, including three from USIA's special complements, will be transferred to the BBG to provide administrative support (48), legal support (seven), program direction (three), FOIA (two), and equal opportunity activities (six). The 48 administrative support positions consist of: four management positions, four budget positions, three personnel positions, two training positions, seven contracting positions, two contracting policy positions, 13 security positions, six information technology positions, 1 general administrative position, two travel and transportation positions, three mail and messenger positions, and one printing position. Twenty-three additional full time permanent positions will shift to State to provide reimbursable support in financial services (20) and declassification (three).

Additionally, five full-time permanent American positions and 30 foreign national ones will be transferred to the BBG to direct and provide placement services for radio and TV material to foreign broadcasters. These American positions will be drawn from USIA's special complements. The foreign national positions will be derived from overseas support positions as they become vacant during integration, and not later than the end of FY-00 (nine have already been identified). Additional placement support will continue to be available for a transition period on a non-reimbursable basis for at least two years.

With respect to transfers from the BBG to State, the BBG will transfer twelve full-time permanent positions directly responsible for producing interactives and providing technical support and the funds associated with the function. The BBG will also transfer the eight full-time permanent positions of the Foreign Broadcast Support Unit (FBSU) to the Foreign Press Centers. The FBSU facilitates the visits of foreign broadcasters to the United States, and this mission is more consistent with State's public affairs mission than with the journalistic mission of the BBG and the IBB.

The Secretary of State will have access to the facilities and services of the BBG television studios and the BBG worldwide satellite capabilities for interactive dialogues as has been past practice. State will be able to use the technical facilities of the BBG on a non-reimbursable basis to broadcast interactive dialogues worldwide. Policy interactive dialogues will become the responsibility of State and continue to be produced from the BBG studios. Some of these interactive dialogues will allow for the appearance of individuals located at Main State and the Foreign Press Center. The cooperative professionalism that has marked past working relationships will continue in the future.

#### **Positive Outcomes**

Pursuant to the Act, the BBG will become an independent federal entity. This provides a "firewall" between State and the broadcasters to ensure the integrity of journalism.

The Act thus ensures that the credibility and journalistic integrity of broadcasting will be preserved and enhanced. International broadcasting is, and should remain, an essential important instrument of U.S. foreign policy, by telling America's story and otherwise serving broad American foreign policy objectives. The Secretary of State will provide foreign policy guidance to the BBG.

# V. The Development Assistance Mission

# What Will Happen to the U.S. Agency for **International Development (USAID)**

Consistent with the President's decision in April 1997 and the Foreign Affairs Reform and Restructuring Act of 1998 (the Act), USAID will remain a distinct agency with a separate appropriation. The USAID Administrator will be under the direct authority and foreign policy guidance of the Secretary of State. Under the direction of the President, the Secretary will coordinate all U.S. development and other economic assistance except activities related to export promotion and to international financial institutions and certain other financial assistance. The Act abolishes the International Development Cooperation Agency (IDCA). It requires that USAID integrate its press office and certain administrative functions with State.

### **Abolition of IDCA and Delegation of Authorities**

Several steps will be taken to implement the Act and the President's decision so as to provide for the "direct authority" relationship. In essence, the "dotted" organizational line between USAID and State will be filled in, with the Administrator having most authorities derived by redelegation from the Secretary of State. Under the direct authority and foreign policy guidance of the Secretary, the Administrator will carry out the approved overall assistance and economic cooperation strategy.

In accordance with the Act, Reorganization Plan No. 2 of 1979 -- which established IDCA, with USAID as a component, and granted it primary responsibility for establishing overall development assistance policy and coordinating international development activities supported by the United States -- will cease to be effective as of April 1, 1999. The effective repeal of this Plan and the enactment of conforming amendments contained in the Act returns those functions now vested in IDCA or its director back to USAID or the Secretary of State, as was the case by statute prior to 1979 Plan.

Executive Order 12163, which delegated most Foreign Assistance Act development and other

economic assistance-related authorities to IDCA, will be amended to delegate assistance functions vested by law in the President to the Secretary of State, except for those reserved to the President or specifically delegated to another agency. This will be the same framework that existed prior to the establishment of IDCA. The *Act* also establishes USAID as a U.S. government agency.

To maximize consistency with overall U.S. international affairs priorities, the Secretary of State will coordinate development and other economic assistance. The Secretary will ensure coordination among agencies of the United States Government in carrying out the policies contained in relevant foreign assistance legislation. In keeping with USAID's status as a distinct agency and recognizing that the USAID Administrator is under the Secretary's direct authority and foreign policy guidance, the Secretary will review USAID's strategic plan and annual performance plan, annual budget submission and appeals, and allocations and significant (in terms of policy or money) reprogrammings of development and other economic assistance.

In this context, the Secretary of State will delegate or redelegate to USAID the functions and authorities needed to carry out its mission. These include authorities to:

- · Receive apportionments for development and other economic assistance appropriations;
- · Create policies for development and other economic assistance programs;
- · Implement development and other economic assistance programs; and
- · Manage and administer assistance programs, including the requisite personnel authorities.

In carrying out its functions and authorities under the direct authority and foreign policy guidance of the Secretary, USAID will consult as appropriate with State.

### **State-USAID Policy and Resource Coordination**

The leadership of both State and USAID recognize the need for effective coordination consistent with strong accountability and a clear division of responsibility. The promotion of the sustainable development mission will remain a priority objective of the closer State-USAID relationship at all levels. Broad foreign policy coherence is best assured through strategic planning and resource allocation processes as described in this chapter, which align USAID resources in support of foreign policy priorities and allow the sustainable development mission to be carried out effectively. Under the direct authority and foreign policy guidance of the Secretary, the Administrator will create development policy, implement development and other economic assistance programs, and manage and administer these programs. State and USAID will establish a number of regular mechanisms to enhance consultation and coordination, including in the field, in Washington at the bureau level, and in the relationship of USAID and State activities on global issues. These mechanisms will include:

• Coordination in Strategic Planning -- Both State and USAID develop strategic plans in the context of the Government Performance and Results Act (GPRA). State coordinates with USAID in developing the "International Affairs Strategic Plan," and USAID's "Strategic Framework" is coordinated with this Plan.

- Coordination in Washington -- Preparation of Bureau Performance Plans at State will involve full consultation with USAID, which will participate in the Secretary's reviews of such Plans and in reviews of Mission Performance Plans (MPPs). Under the direction of the Secretary, other specific coordination mechanisms will be established, including a more structured system for coordination among State and USAID bureaus.
- Coordination in the Field -- Close coordination in the field is at the heart of an effective State-USAID relationship. USAID overseas missions will participate actively in the MPP process, and their budgeting and planning will be consistent with MPPs. Chiefs of Mission will approve USAID missions' multi-year country assistance strategies and annual assessments of program performance and requests for resources (R-4), both of which will be consistent with USAID's GPRA-mandated Strategic Plan. The principal USAID official at post is a member of the country team. Unless otherwise provided, the Chief of Mission will have primary responsibility for the annual performance rating of this official, and Chief of Missions and appropriate USAID Assistant Administrators will agree on a specific work plan for the official.
- Informal and Other Coordination -- Both agencies' officials will participate in a range of staff meetings, interagency groups, task forces, bi-national commissions, and other international meetings where they will coordinate their activities. Day-to-day exchanges of information and clearance of messages will constitute an important form of coordination. Informal coordination, including frequent telephone calls and "dropping by," will be valuable. These relationships are less visible than formal arrangements, but they play an essential role in identifying early on issues of importance to both institutions.

# Coordination of U.S. Assistance

Consistent with the *Act*, the Secretary of State will exercise new authorities in the coordination of U.S. development and other economic assistance. Coordination activities of the Secretary, under the direction of the President, will include: (1) approving an overall assistance and economic cooperation strategy; (2) ensuring program and policy coordination among USG agencies in carrying out the policies set forth in the Foreign Assistance Act of 1961, the Arms Export Control Act, and other relevant assistance acts; (3) pursuing coordination with other countries and international organizations; and (4) resolving policy, program, and funding disputes among U.S. government agencies. Coordination of activities relating to promotion of exports of U.S. goods and services, however, will continue to be primarily the responsibility of the Secretary of Commerce, and coordination of activities relating to U.S. participation in international financial institutions and organization of multilateral efforts aimed at currency stabilization, currency convertibility, debt reduction, and comprehensive economic reform programs will continue to be primarily the responsibility of the Secretary of the Treasury.

The Secretary of State will establish effective mechanisms to seek to resolve disputes among U.S. government agencies whose activities are covered by the *Act*. These mechanisms will build on field coordination, including cooperative efforts of all agencies at post to prepare MPPs and align plans of

agencies in the field to MPP goals and strategies. In Washington, the Secretary will oversee the coordination of assistance, supported by State-chaired mechanisms at various levels which will involve U.S. government agencies that fund and deliver U.S. assistance.

Due to the need for high-profile interagency coordination at the startup of assistance to Central and Eastern Europe and the New Independent States of the former Soviet Union, the Congress mandated establishment of special Coordinators at State to oversee all development and other economic assistance to these areas. There are close professional relationships and interactions between USAID offices and the offices of the Coordinators. This process has contributed to achieving our objectives in these regions, where U.S. assistance is a critical part of U.S. foreign policy.

USAID already carries out highly effective donor coordination in the field, through international organizations and in contacts with donor governments and NGOs. State, in consultation with USAID, will continue to represent the United States in treaty negotiations on development-related issues. The Administrator, in appropriate coordination with the relevant State bureaus, will continue to be the principal U.S. government contact with development ministers from other donor nations and represent the United States at OECD Development Assistance Committee meetings, development activities of international financial institutions (e.g., World Bank Consultative Group meetings), and United Nations development agencies. State will use its diplomatic mandate in support of development policy to advance U.S. foreign policy interests.

## **Integration of Press Office and Certain Administrative Functions**

On April 1, 1999, USAID's press office will be merged with State's Bureau of Public Affairs, which will be responsible for issuing all USAID press statements and press releases. The eight USAID full-time permanent press relations officers will become State public affairs officers. They will provide full, coordinated media support services to USAID's Administrator, Deputy Administrator, Assistant Administrators, and regional and functional bureaus.

Reorganization will include the consolidation of certain USAID administrative functions with those of State. Three years ago, State and USAID began to consolidate overlapping administrative support functions. A memorandum of understanding between the two agencies specifies four areas for shared services that provide logical, efficient, and effective operations. These services are:

- **Support** -- State will process the retirement of USAID Foreign Service Officers and provide retirement counseling. USAID now uses the same travel contract as State and has co-located its headquarters mainframe computer operations with State's. The two agencies will implement a number of other small agreements for joint headquarters services.
- ICASS -- State and USAID have implemented International Cooperative Administrative Support Service (ICASS) to maximize shared administrative services, using the concept of best practices and considering the cost and quality of services. Requests for exceptions to the use of ICASS as the service provider will be referred to Washington.
- Training -- USAID will expand its use of State training services, e.g., foreign language training.

State and USAID will also develop professional and technical training programs together to the maximum extent possible.

• **Storage** -- State will accommodate USAID's needs for storage of employees' household goods. The two agencies already share other transportation and storage services.

#### Additionally:

- **Housing** -- At all overseas locations the two agencies will operate under a unified Housing Board and joint State/USAID regulations will be issued on utilizing a single housing pool for short-term leased units.
- **Security** -- State and USAID will review their security services to determine what further coordination can be achieved.
- Other Functions -- State and USAID will continue to explore other efficient ways to coordinate or consolidate as many administrative functions as possible.

# VI. Policy Support Functions

# A. Under Secretarial Staffs

### **Current Responsibilities**

State's five Under Secretaries (for Political Affairs, Economic, Business, and Agricultural Affairs, Arms Control and International Security Affairs, Management, and Global Affairs) and its Counselor are both advisers to the Secretary and policy makers in their own right on selected issues. They do not have "action" responsibility for policy and program implementation -- this belongs to the Assistant Secretaries who report to them. The Under Secretaries have personal staffs of about a dozen.

ACDA's Office of the Director consists of a Director and Deputy Director; a military liaison officer; a Special Representative who performs Ambassador-at-Large like responsibilities; a Special Representative who serves as the Chief Science Adviser; a Counselor; an advance planning director who also serves as the Executive Director of the Director's Advisory Committee; the agency's EEO supervisory official; and staff support.

USIA's Office of the Director consists of the Offices of the Director, Deputy Director, Counselor, Strategic Communications, and Research and Media Reaction.

#### **Personnel**

For the purpose of comparison, the office of State's Under Secretary for Political Affairs consists of 12 full-time permanent positions.

ACDA's Office of the Director has 12 full-time permanent positions and a reimbursable one, not including positions in its Executive Secretariat.

USIA's Office of the Director has 14 full-time permanent positions, not including positions in its Executive Secretariat.

### **Key Issues Considered**

The new Under Secretary for Arms Control and International Security and the new Under Secretary for Public Diplomacy and Public Affairs will advise the Secretary on policy issues that are similar to those they managed as agency heads. However, a number of structural issues require changes in transforming both current Directors' offices into Under Secretarial offices:

- · Size/Structure of Staffs: ACDA and USIA agency chiefs have larger and more functionally diversified staffs than State's Under Secretaries.
- **Deputies:** ACDA's and USIA's Deputy Directors have no counterparts in an Under Secretary's office.
- · **Adjunct Offices:** ACDA's and USIA's adjunct offices were functionally analyzed to determine if they should be located in the new Under Secretaries' offices, established elsewhere in State, or abolished and their functions transferred to other offices in the newly consolidated State.
- **Special Representatives:** A number of arms control special representatives report to the ACDA Director; while in State, special envoys typically report to either the Secretary or an Assistant Secretary.

## **Proposed Integration into State**

#### **ACDA**

The office of the new Under Secretary for Arms Control and International Security/Senior Adviser to the President and the Secretary of State for Arms Control, Nonproliferation and Disarmament will be structured along the lines of the current Under Secretary for Arms Control and International Security Affairs with thirteen full-time permanent positions, drawn from the ACDA Director's office (two) and ACDA's Executive Secretariat (two) and the former State Under Secretary's office (nine). Other positions in the Director's office will move elsewhere in the new structure.

The office will take on the new functions of advising the Under Secretary in the role of Senior Adviser to the President and the Secretary of State. The staff will assist the Under Secretary in communicating with the President through the Secretary of State, developing and maintaining senior-level contacts and procedures for rapid interface with other U.S. government agencies, and coordinating the Under Secretary's participation in senior-level interagency meetings, including NSC and its subordinate meetings (Presidential Decision Directive 65). Because of the unique defense liaison role that the Under Secretary plays, the State senior military advisor will also report to the Under Secretary. Positions from the ACDA Director's immediate office will transfer to the

Nonproliferation Bureau (two), the Arms Control Bureau (two), the Political-Military Affairs Bureau (one), the Congressionally authorized Advisory Board (one), the Office of Equal Employment Opportunity and Civil Rights (one), and the Legal Advisor's Office (one).

The Special Adviser for Verification and Compliance will report directly to the Under Secretary on critical verification and compliance issues. Special representatives and envoys reporting to the ACDA Director will report to the appropriate Assistant Secretary and the Under Secretary. The scientific and policy Advisory Board on arms control, nonproliferation and disarmament will report to the Secretary through the Under Secretary, who will maintain operational authority over the Board, including designating its members and staff.

#### **USIA**

The office of the new Under Secretary for Public Diplomacy and Public Affairs will be structured similarly to the other Under Secretaries. The Under Secretary will have a staff of nine. Four other positions in the Director's office will move to public diplomacy support units in the functional bureaus, and one position will move to the Office of the Under Secretary for Management. Six of the Office of Strategic Communications full-time permanent positions plus a reimbursable one will move to the Office of International Information Programs to provide analysis and program support; the seventh will transfer to State's Policy Planning Staff. The positions in the Office of Research and Media Reaction will be shifted to the Bureau of Intelligence and Research (41 full-time permanent positions).

#### **Positive Outcomes**

- · Establishment of new Under Secretaries in State with unique roles reflecting authorities transferred from the ACDA and USIA Directors, thereby strengthening State's policy and programmatic capabilities and their coherence.
- · Establishment of a structure within State to ensure that unique arms control and nonproliferation perspectives will continue to be available at the highest levels of the U.S. government, including the President.
- · Establishment of an entity which provides independent arms control and nonproliferation verification and compliance assessments.
- · Provide oversight for State's new interagency leadership role on nonproliferation.
- · Ensure better integration of public diplomacy in international affairs strategic planning, including through the presence of the Under Secretary for Public Diplomacy and Public Affairs on the Corporate Board.

# VI. Policy Support Functions

# **B.** Executive Secretariat

## **Current Responsibilities**

State's Executive Secretariat is a distinct organizational entity. The Executive Secretariat equivalents at USIA and ACDA are both situated within their Directors' offices.

State's Executive Secretariat (S/S) manages, coordinates, tracks and records the information and work flows among the Secretary of State, other State principals, and bureaus within State; and between State and the interagency community. It is State's principal tasking organization, particularly in overseeing the preparation of briefing materials for State principals and assigning actions. It takes the lead in coordinating crisis management. It also provides administrative support for the Offices of the Secretary, other State principals, and special envoys. Its subordinate components include the:

- Executive Office (S/S-EX), which provides centralized administrative support and information management functions for State principals, offices reporting directly to the Secretary, and the Bureaus of Public Affairs and Legislative Affairs.
- · Operations Center (S/S-O), which handles crisis management, briefs/alerts State officials, distribution of sensitive information, and supports principals' communications needs around-the-clock.
- · Secretariat Staff (S/S-S), which oversees the preparation and clearance of briefing material for the Secretary and other principals, coordinates the Secretary's travel, and manages interagency communications.
- **Record Management (S/S-RMD),** which indexes, records, distributes, and archives the Secretary's and other principals' decisions, and documents and tracks Presidential and State principals' correspondence.

ACDA's Office of the Executive Secretary (ACDA/D/EX) manages, coordinates, tracks, and records the information and work flows among the Director, Deputy Director, other ACDA principals and the Agency's bureaus and offices; and between the ACDA and the interagency community. It is ACDA's principal tasking organization for overseeing the preparation of briefing and action materials for ACDA principals. It communicates formally ACDA's views and is the formal recipient of other Executive branch views. It monitors ACDA's representation in interagency meetings and represents the Director and the Deputy Director in planning for diplomatic events. It has the lead responsibility for assigning and maintaining records and for assigning access to limited distribution, highly sensitive documents. It maintains ACDA's deadlines, both internal and external. It has no round-the-clock facility.

USIA's Secretariat tasks, tracks, reviews and records the flow of information, briefing materials and correspondence to and from USIA's Director and Deputy Director, both within the agency and between it and the interagency community. Its Operations Center, distinct from the Secretariat, provides round-the-clock digests of print and electronic media (domestic and foreign), transcripts of public events, other public documents, briefing material and the latest press guidance for Washington agencies and overseas posts. It also monitors key media round-the-clock, and provides emergency support to official international exchange visitors. It takes the lead in coordinating the clearance process for VOA editorials.

#### **Personnel**

There are 142 full-time permanent positions in State's Executive Secretariat.

ACDA's Executive Secretariat consists of seven full-time permanent positions.

USIA's Secretariat and Operations Center consist of 23 full-time permanent positions.

## **Key Issues Considered**

The Executive Secretariats of all three agencies perform essentially the same functions for their principals. Their consolidation raises a number of issues:

- Functions: While functions are largely the same for all three secretariats, they are distributed differently among each secretariat's component parts.
- · **Systems:** Document archiving, tracking and retrieval systems must be consolidated and harmonized.
- Operations Centers: The functions of the USIA Operations Center, which were different, were analyzed and allocated.

## **Proposed Integration into State**

#### State

State's Executive Secretariat will be reorganized to prepare for the influx of new functions. A Correspondence and Records division (S/S-CR) will be established on the foundation of the existing Record Management division

(S/S-RMD). It will have units responsible for records management and research, tracking and tasking correspondence for the Secretary and other principals, and managing the interagency calendar and associated functions. The Secretariat Staff division (S/S-S) will have oversight of the tasking and tracking of memoranda for the Secretary and other State principals and for coordinating the Secretary's overseas travel. The Operations Center (S/S-O) will integrate additional personnel from the USIA Operations Center to expand core responsibilities, including enhanced press/public affairs activities and expanded crisis management support operations. The Executive Office (S/S-EX) will continue to provide centralized administrative and information management support.

#### **ACDA**

The functions of ACDA's Executive Secretariat will be reallocated to:

- **Under Secretary's Staff:** To provide programmatic support for the Under Secretary, who also serves as Senior Adviser to the President and the Secretary of State for Arms Control, Nonproliferation, and Disarmament.
- · S/S-CR and the Bureau of Legislative Affairs: Task and track general and Congressional correspondence addressed to the Under Secretary.
- · S/S and S/S-CR: Serve as the Under Secretary's coordinator of interagency communications.
- · S/S-CR and S/S-O: Distribute and store classified and highly sensitive material.
- · S/E-EX: Provide administrative and information management support for the Under Secretary's office.

- · Under Secretary's Staff and S/S-CR: Maintain a formal record of the Under Secretary's decisions and actions.
- The Bureau of Administration: Process Congressional, FOIA, Privacy Act, and document subpoena requests.
- · S/S-O: Provide 24-hour alert, briefing, crisis coordination, and principal locator services.

ACDA's Executive Secretariat's seven full-time permanent positions will move to the staff of the Under Secretary for Arms Control and International Security (two), to the Under Secretary's subordinate bureaus (two to PM and two to AC), and to State's Executive Secretariat systems staff (one).

#### USIA

The functions of USIA's Executive Secretariat will be reallocated to:

- · **Under Secretary's Staff:** Provide programmatic support for the Under Secretary to carry out his duties.
- · S/S-CR and the Bureau of Legislative Affairs: Task and track general and Congressional correspondence addressed to the Under Secretary.
- · S/S and S/S-CR: Serve as the Under Secretary's coordinator of interagency communications.
- · S/S-CR and S/S-O: Distribute and store classified and highly sensitive material.
- · S/S-EX: Provide administrative and information management support for the Under Secretary's office.
- · Under Secretary's staff and S/S-CR: Maintain formal record of the Under Secretary's decisions and actions.
- The Bureau of Administration: Process Congressional, FOIA, Privacy Act, and document subpoena requests.
- · S/S-O: Provide 24 hour alert, briefing, crisis coordination and principal locator services, and rapid response to urgent public affairs needs for overseas posts, including transcripts, press guidance and media summaries.
- · S/S-O and the Office of International Information Programs: Conduct 24-hour global media monitoring and provide information and summaries of foreign affairs coverage on general and specific issues -- to senior officials in Washington and overseas.
- The Bureau of Public Affairs and the Office of International Information Programs: Manage the repository of transcripts of public statements and appearances by U.S. government officials, and of press guidance and releases of U.S. Government agencies, and serve as principal point of contact for non-urgent information for press officers in the field.
- · S/S-S: Coordinate clearance process for Voice of America editorials.
- The Bureau of Educational and Cultural Affairs: Provide duty officer for after-hour contact by exchange visitor program participants.

USIA's Executive Secretariat's 10 full-time permanent positions will move to State's Executive Secretariat (seven) and to Legislative Affairs (three). Of the USIA Operations Center's 13 full-time permanent positions, four will move to the functional staffs and bureaus for public diplomacy work, seven will join the State Operations Center, and two will transfer to State's Executive Secretariat administrative office. One additional full-time permanent position, from USIA's Management

Bureau, will shift to State's Executive Secretariat systems office to support the Bureau of Legislative Affairs and a second one from USIA's special complements will move to the staff of the Foreign Service Grievance Board.

#### **Positive Outcomes**

- · Increased responsiveness to overseas crisis management and information requirements.
- · Centralized correspondence processing.
- · Centralized interagency communications and scheduling.
- · Improved document tasking, tracking and retrieval.

# VI. Policy Support Functions

# C. Congressional Relations

## **Current Responsibilities**

State, ACDA, and USIA have units devoted to Congressional relations, charged with roughly the same responsibilities for their subject areas. State's Bureau of Legislative Affairs (H) coordinates legislative activity for State and advises the Secretary of State and other State officials on legislative matters concerning all international affairs policy and funding issues. The Bureau's primary mission is to ensure that the Secretary's policies are reflected throughout the legislative process. H serves as the primary liaison between the Congress and the Executive Branch (including OMB and other governmental agencies) on foreign policy legislative matters as well as State's authorization legislation and two appropriations bills, the Commerce, Justice, State and Foreign Operations appropriations.

ACDA's Office of Congressional Affairs (CA) is responsible for the legislative implications of arms control, nonproliferation, and disarmament proposals, policies, and activities, including treaty ratifications. It advises the Director on legislation and Congressional views; arranges briefings for legislators/staffs; arranges Congressional appearances; coordinates Agency responses to the Congress; and obtains Congressional approval of the budget. The office provides routine status reports on arms control and nonproliferation diplomatic efforts to the Senate Arms Control Observer Group and the House Arms Control Observer Group. It also serves as the Agency's liaison with OMB.

USIA's Office of Congressional and Intergovernmental Affairs (CL) is the principal point of contact on public diplomacy issues and programs with the Congress, Executive Branch legislative offices, and state and local officials. The office is responsible for all aspects of the Agency's authorization legislation and, in conjunction with the Agency comptroller, appropriations legislation as well. CL advises the Director and other top Agency officials on Congressional views and develops and implements legislative strategy for USIA. CL coordinates Agency legislative activity, prepares Agency officials for Congressional appearances, keeps interested Members and staff informed of

Agency activities which affect them or their constituents. CL also conducts outreach with state and local government officials.

#### Personnel

State's Bureau of Legislative Affairs has 48 full-time permanent positions.

ACDA's Office of Congressional Affairs has four full-time permanent positions.

USIA's Office of Congressional and Intergovernmental Affairs has eight full-time permanent positions.

## **Proposed Integration into State**

The new structure will have four deputy assistant secretaries (DASs) and four senior policy advisers (SPAs), a plan that will maintain the H Bureau's current DAS structure and create two new SPA positions. These new SPA positions will act as direct liaisons to the proposed new Under Secretaries and provide leadership and expertise within H on arms control and nonproliferation and public diplomacy.

State's Bureau of Legislative Affairs will absorb most of the staff positions of the USIA legislative affairs operation, as well as some from their Secretariat operations and several administrative support positions.

Of USIA's eight positions, six will transfer to H, one to the Bureau of Democracy, Human Rights and Labor (along with the international labor portfolio), and one to the Bureau of Public Affairs (along with the state and local government relations portfolio). Additionally, the three positions from USIA's Secretariat staff which support Congressional correspondence will be transferred to H, along with one position from USIA's Management Bureau.

All four positions from ACDA will go to H.

Each State Under Secretary will have a senior individual within Legislative Affairs, a Deputy Assistant Secretary (DAS) or Senior Policy Advisor (SPA), who will oversee issues under the Under Secretary's purview.

Each Under Secretary will designate a point of contact in his/her office for the DAS or SPA and the relevant Legislative Management Officer (LMO). This is a collateral duty which will not require a full-time position.

The Bureau of Legislative Affairs will continue to shepherd the authorization and appropriations bills through the Congress, working closely with those offices, particularly the Chief Financial Officer, which have responsibility for preparation of the budget.

#### **Positive Outcomes**

These proposals will provide for the unified representation to the Congress of State's views on the

widest range of foreign policy issues. State principals can be sure that their Congressional priorities will be brought to the attention of the Secretary and addressed through her frequent testimony and meetings on the Hill.

# VI. Policy Support Functions

# D. Legal Affairs

## **Current Responsibilities**

State's Legal Adviser (L) provides legal advice and services to the Secretary -- and through her to the National Security Council (NSC) and the President -- as well as to other State offices. These activities include:

- · Bringing legal considerations to bear in formulating and carrying out U.S. foreign policy and in administering the Department, including the Foreign Service;
- · Participating in international negotiations and representing the U.S. in international conferences having legal content;
- · Representing the U.S. in international litigation and assisting the Department of Justice in domestic litigation involving State;
- · Serving as State's point of contact with Justice, Treasury, and other law enforcement agencies on sensitive operations and prosecutions that may affect the conduct of U.S. foreign policy;
- · Chairing the Department's advisory committees on public and private international law.

ACDA's Office of the General Counsel, responsible for legal matters arising from arms control, nonproliferation, and disarmament activities of the U.S. government, provides legal advice and assistance to the Director -- and through him to the NSC and the President -- as well as to other ACDA offices. These activities include:

- · Participating throughout the negotiation, conclusion, ratification, and implementation of arms control treaties and agreements;
- · Interpreting legislation affecting the field of arms control, nonproliferation, and disarmament, including representing ACDA with respect to proposed and pending legislation;
- · Providing legal support in ratification and interpretation of arms control treaties, including drafting implementing legislation and the article-by-article analysis for transmittal by the President to the Congress;
- · Providing legal support for arms control initiatives by the President, the Director, and the different bureaus of ACDA; and
- · Addressing arms control legal issues at courses, seminars, and conferences.

USIA's General Counsel's Office (GC) provides legal services to all Agency elements (with the exception of the immediate legal needs of the Broadcasting Board of Governors) in support of USIA's domestic and international activities. These activities include:

- · Drafting and interpreting statutes and regulations;
- · Preparing for and negotiating site agreements, educational and cultural exchange agreements, and other international agreements;
- · Addressing requests for immunity from judicial seizure;
- · Representing the Agency in administrative litigation;
- · Assisting the Department of Justice in judicial litigation; and
- · Providing advice on matters as diverse as telecommunications issues, cultural property, labor relations, and ethical constraints on the activities of Agency officials.

#### Personnel

The Office of the Legal Advisor (L) within State has 165 full-time permanent positions.

ACDA's Office of the General Counsel (GC) has 14 full-time permanent positions and a reimbursable one.

USIA's Office of the General Counsel (GC) has 62 full-time permanent positions.

## **Key Issues Considered**

The task force considered a range of issues, including: the number and level of officials in the Legal Adviser's Office charged with providing legal support for transferred functions; the placement of functions currently residing in General Counsels' offices which might be placed elsewhere in the new structure; the necessity for any internal management changes; and the April 1997 White House statement which indicated that ACDA's legal functions will be preserved.

#### **Proposed Integration into State**

#### General

USIA legal staff will be transferred to the BBG in proportion to the amount of work currently performed by USIA's General Counsel's office for broadcasting components (seven full-time permanent positions). All other full-time permanent USIA legal staff (13 full-time permanent positions) and all ACDA legal staff positions will transfer to the Office of the Legal Adviser. One computer support position from USIA's Management Bureau will transfer to the Office of the Legal Adviser.

All but one SES position currently assigned for legal functions in each of the three agencies will be transferred to the newly integrated Legal Adviser's Office and assigned SES responsibilities.

Certain ACDA and USIA attorneys and support staff will be transferred to the appropriate management offices in the Legal Adviser's Office.

The newly integrated Legal Adviser's Office will perform only legal functions. Non-legal functions will be transferred to other bureaus where these functions either are more compatible with the mission of that bureau or can be more effectively managed.

FOIA, privacy, and declassification functions of ACDA and USIA will be transferred to State's Bureau of Administration and to the BBG. ACDA's efforts are currently conducted entirely by rehired annuitants. Ten full-time permanent positions (two on FOIA and eight on declassification) will move from USIA, including three to provide declassification support to the BBG on a reimbursable basis. Five additional positions from declassification will move to public diplomacy efforts in the functional staffs and bureaus. Two full-time permanent positions working on FOIA will be transferred to the BBG.

# **USIA Specific**

The USIA General Counsel will become the General Counsel to the BBG.

A new Assistant Legal Adviser for Public Diplomacy and associated staff will be established in the Office of the Legal Adviser.

USIA's attestation function -- reviewing films to determine whether they are of "international educational value" and thus warrant favorable export treatment under the Beirut Agreement -- will be transferred to the Bureau of Educational and Cultural Affairs (one full-time permanent position).

The USIA Exchange Visitors visa waiver review procedure will be transferred to the Bureau of Consular Affairs (12 full-time permanent positions).

The Exchange visa program designation function will become a staff element in the office of the Assistant Secretary for Educational and Cultural Affairs (12 full-time permanent positions).

Seven full-time permanent positions will transfer to the BBG.

## **ACDA Specific**

The ACDA General Counsel will become the Associate Legal Adviser for Arms Control and Nonproliferation and will report to the Legal Adviser.

A new Assistant Legal Adviser for Arms Control and Nonproliferation and associated staff will be established and will report to the Associate Legal Adviser.

All 14 full-time permanent positions and a reimbursable one will transfer to State plus two additional full-time permanent positions from elsewhere in the agency.

#### **Positive Outcomes**

The Secretary and other State principals will receive top-quality legal services from an integrated office under the direction of the Legal Adviser. Full integration of the arms control specialty into the Legal Adviser's Office will best preserve ACDA's unique legal functions. This arrangement will allow the Legal Adviser and client bureaus to draw upon the broad-ranging expertise of the Legal Adviser's Office. The Legal Adviser's Office will maintain its active recruitment program, which attracts some of the best lawyers in the country, as well as procedures for hiring experts in particular fields where appropriate. Client bureaus will provide travel funds adequate to preserve the legal functions of the lawyers participating in delegations, commissions and discussions.

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# VI. Policy Support Functions

# E. Press and Constituent Relations

## **Current Responsibilities**

Public affairs is the provision of information to the press, the American public, and others concerning the goals, policies, and activities of the U.S. government. Public diplomacy seeks to promote the national interest of the U.S. through understanding, informing, and influencing foreign publics.

- · State's Bureau of Public Affairs (PA) provides information to various publics concerning the goals and development of U.S. foreign policy. Through dialogue with the media, individual citizens, and groups, it attempts to foster understanding of the importance of American leadership and engagement in the world. PA directs public affairs strategies, coordinates interagency public affairs activities, and serves as a principal adviser to the Secretary, senior State officials, and others in the U.S. government.
- · USIA's Office of Public Liaison (PL) is responsible for planning, directing, coordinating, implementing, and evaluating USIA's domestic public affairs program and for developing its communication strategy. PL provides information about the Agency's policies, mission, and programs to the general public, the communications media, academic and educational institutions, and government and non-governmental organizations.
- · ACDA's Office of Public Affairs (PA) disseminates and coordinates public information concerning arms control, nonproliferation, and disarmament. The office handles media outreach, coordinates press guidance on Agency issues, plans and coordinates press conferences and interviews with ACDA officials, and is responsible for a comprehensive Speaker's Program.
- · USAID's Press Relations Division (AID/LPA/PR) manages the communication of the Agency's mission, goals, and activities to the American public, primarily through the media. It is part of USAID's Bureau for Legislative and Public Affairs.
- · USIA's Foreign Press Centers in Washington, New York and Los Angeles deal with visiting and U.S.-based foreign media.

#### **Personnel**

State's PA bureau is staffed by 117 full-time permanent positions.

USIA's Office of Public Liaison has 12 full-time permanent positions.

ACDA's Office of Public Affairs has eight full-time permanent positions.

USAID's Press Relations Division has eight full-time permanent positions.

USIA's Foreign Press Centers have 24 full-time permanent positions.

USIA's Broadcasting Bureau has eight full-time permanent positions in its Foreign Broadcast Support Unit and 12 who carry out Worldnet television policy interactives.

#### **Key Issues Considered**

The major issues of integrating press relations functions into State are part of the larger issue of integrating USIA's public diplomacy mission into State.

### **Proposed Integration into State**

The domestic press functions of USIA, ACDA, and USAID will be integrated into PA's Office of Press and Media Relations. USAID's press officers will become State Public Affairs Officers. USIA's Office of Public Liaison will integrate with PA.

Existing press relations resources will be restructured into four inter-related offices in PA. The Assistant Secretary for Public Affairs will have overall managerial responsibility and the Principal Deputy Assistant Secretary will have day-to-day responsibility for the activities of these offices. They, in turn, will be responsible to the Under Secretary for Public Diplomacy and Public Affairs and the Secretary of State.

The **Domestic Press Office** (a.k.a. "the Press Office") will be responsible for day-to-day relations with domestic and

foreign media on major foreign policy matters, and for supporting media and public affairs events involving the Secretary or her deputies in the U.S. and overseas. This office will be staffed with positions presently in the Press Office and two transferred from USIA's Office of Public Liaison.

The **Foreign Press Centers Office** will be responsible for day-to-day relations with U.S.-based and visiting foreign-based media whose areas of inquiry fall outside those already described above. The Centers' efforts will continue to focus on briefings, programs, and direct contact by press officers and other specialists with foreign journalists.

The Centers in Washington, New York, and Los Angeles will remain where they are to serve their clientele, but will coordinate and integrate their daily operations with other offices of PA, under the daily direction of the Principal Deputy Assistant Secretary/Deputy Spokesman. Foreign Press Center operations will remain nearly identical to their current set-up (24 full-time permanent positions). Expertise from USAID's press relations office will also be available to address assistance issues.

The **Media Outreach Office** will continue to be responsible for providing policy information to national and major regional media in a proactive fashion, and for reaching out to specialty, local, ethnic and other niche media organizations, all with the objective of better fulfilling our obligation to explain U.S. foreign policy and the U.S. role in world affairs to the broadest possible audiences, including those that have not traditionally been engaged by State and other foreign affairs agencies.

The office will also be responsible, in concert with other bureaus as appropriate, for handling of media interviews of State principals other than the Secretary. Staff will consist of the present positions, augmented by two full-time permanent positions from USIA's Office of Public Liaison and expertise from USAID's Office of Press Relations.

A **Multimedia Office** will be responsible for television and certain other multimedia functions. Eight full-time permanent positions in the BBG's Foreign Broadcast Support Unit will shift to this office, as will BBG personnel who carry out Worldnet television policy interactives (12 full-time permanent positions.)

#### Press Functions at USIA, USAID and ACDA

USIA's Office of Public Liaison will have its positions transferred to corresponding parts of State's Bureau of Public Affairs. Those presently supporting "speaker programs" (four full-time permanent positions) will be transferred to PA's Office of Public and Intergovernmental Liaison to continue similar functions and activities there. Those working on "press relations" (four full-time permanent positions) will be transferred (two positions each) to the Press Office and to Media Outreach. One position working with LAN computer and related matters will be transferred to the Public Communications office, where such activities are concentrated within the Bureau of Public Affairs. One position will be transferred to the Public Affairs front office. And, two positions will become part of public diplomacy units in the functional bureaus.

**USAID's Office of Press Relations** (eight full-time permanent positions) will be integrated into the Bureau of Public Affairs.

The public affairs positions of the **Arms Control and Disarmament Agency** (eight full-time permanent positions) will be transferred: two to the Assistant Secretary for NP, two to the Assistant Secretary for AC, two to PM, one to the Office of the Historian in PA, and one to the Bureau of Administration.

The Bureau of Public Affairs will be supported by an administrative office drawn from existing staff, plus 15 positions from USIA's former Management Bureau, which has been providing central support.

#### Positive Outcomes

The Under Secretary for Public Diplomacy and Public Affairs, having responsibility for both foreign and domestic audiences, will help ensure a consistent, coordinated, and timely message, as well as appropriate priorities for projects. With the merging of USIA's Foreign Press Centers into the Bureau for Public Affairs, the media will benefit from a coherent message emanating from a single source.

# VII. Management Functions

# **Overview**

Integrating management support functions into a single organization is in most cases a straightforward exercise. The State organizational structures reflect the needs of larger and, consequently, more complex and specialized units. Thus, in general, the current State organizational structures are more appropriate for the consolidated State organization. Furthermore, aside from the relative sizes of the agencies, there are more similarities in management operations than there are differences. Conforming changes in some management policies and procedures will need to be made to become one smoothly functioning organization. The most important task is to bring the people in the organizations together with the leadership, structures, and tools appropriate for a highperformance organization.

One major challenge is the technological difficulty of uniting the three agencies. Separate electronic mail systems and computer databases that often cannot talk to each other will be expensive to standardize.

Another challenge is to achieve the proper balance of responsibilities between central management functions and bureau-level management. There is no one "right" answer, since the most cost-efficient and program-effective solution in one case may not apply to others.

A final requirement is to appropriately apportion support resources to the Broadcasting Board of Governors from USIA's central management and policy support structure.

Coordinating implementation of the reorganization among the various management functions must also be done in such a way that essential operations are not disrupted despite the additional workload.

Though there will be some downstream savings from consolidated management functions, there will be no short-term ones. In fact, costs are likely to rise over the next several fiscal years as relocation costs are borne and incompatible information technologies are conformed. Additionally, there will be some incremental costs in establishing the Broadcasting Board of Governors as an independent entity, absorbing potential immediate savings.

In addition to the position transfers outlined in the sections that follow, full-time permanent positions will transfer from USIA's central management staff to: the Office of Resource, Plans and Policy (one), the Office of Management, Policy and Planning (one), and the executive office of the Bureau of Administration (five).

# VII. Management Functions

# A. Budget and Finance

# **Current Responsibilities**

Each of the three affected agencies has units with similar responsibilities for budgeting, accounting, financial management operations, budget presentation to OMB and Congress, execution of financial plans, and liaison on financial matters with Treasury, GAO, and other U.S. government agencies. The respective units are:

- State -- Chief Financial Officer, heading the Bureau of Financial Management and Policy (FMP) and reporting to the Under Secretary for Management.
- · ACDA -- Financial Manager, who reports to the Director of Administration.
- · USIA -- Director of the Office of the Comptroller, who reports to the Agency Associate Director heading the Bureau of Management.

#### **Personnel**

State's Bureau of Financial Management and Policy has 559 permanent full-time positions; 357 American and the remainder, foreign nationals.

ACDA's Financial Management Division has seven full-time permanent positions. Its payroll and accounting services are executed by the General Services Administration.

USIA's Office of the Comptroller has 86 full-time permanent positions.

#### **Key Issues Considered**

**Appropriation Structure --** USIA and ACDA operating accounts will be merged into State's D&CP and S&E accounts. Funding for USIA overseas public diplomacy programs and products, including foreign national program salaries, will be allotted separately to respect all applicable legal restrictions. The appropriations for exchanges and the specialized activities such as the East West Center and the North South Center will be retained.

**Single Payroll System** -- Payroll system transfers are recognized as having a tremendous impact on employees in a reorganization because of the devastating impact on morale should pay not be received on time. The transition to a single payroll system is a critical priority for implementing the integration and system improvements are already underway.

**Integrating Budget Submissions** -- USIA's and ACDA's FY-00 budget requirements are being incorporated into the President's budget request for the Department of State. BBG will develop its first independent budget for FY-00.

**Integrating Financial Accounting** -- ACDA's FY-99 appropriation, and its prior year balances will be shifted to State as of April 1, 1999. USIA's prior year balances will be shifted to State as of October 1, 1999.

**Structure and Autonomy** -- As members of State's Corporate Board, the Under Secretaries will play a vital role in resource management decisions, particularly those involving bureaus within their areas of responsibility.

## **Proposed Integration into State**

ACDA's and USIA's central financial management functions will be integrated into State's, with conversion to common financial management systems, including single budget, accounting, and payroll systems.

The FMP Office of Budget and Planning (FMP/BP) will handle budget formulation, presentation, and financial planning for all State appropriations. USIA and ACDA operating accounts will be merged into parallel State appropriations, with a separate allotment process established for overseas public diplomacy programs and products. Separate appropriations will be retained for the exchange program and for the current specialized activities like the East West Center and the North South Center.

Sixty-eight permanent full-time positions will transfer from USIA to the Chief Financial Officer, 66 from the Office of the Comptroller, one from the Executive Office, and one from the Office of Technology. The remaining positions from the Office of the Comptroller will be transferred to other offices within State (one to Legislative Affairs, 10 to regional bureaus, one to the Bureau of Administration, three to the administrative office supporting the Bureau of Educational and Cultural Affairs and the Office of International Information Programs, two to the administrative office supporting the Assistant Secretary for Public Affairs, and one to the Bureau of Administration. Four positions will transfer to the BBG. Also, since BBG plans to obtain financial services from State, twenty of the positions transferred to State will provide those services to the BBG on a reimbursable basis.

Six of the ACDA positions will provide financial management services to the executive office for the bureaus under the Under Secretary for Arms Control and International Security, with the seventh position moving to the Bureau of Administration. State's Financial Services Centers (FSCs) currently provide disbursing, accounting, and payroll services for State, as well as USIA and ACDA at overseas posts. With integration, the services to the former USIA and ACDA overseas operations will continue. The BBG will reimburse for these services under ICASS.

#### **Positive Outcomes**

Key programs will be put under the direct leadership of the Secretary. Integration will facilitate stronger links between resource allocations and our international affairs strategic goals, giving the Secretary greater resource flexibility to set priorities.

Consolidation of three currently separate sets of financial management systems will bring about future cost savings, streamlining, and process improvements through applying best practices. At the same time, it will create a wider field for career development and growth in the financial management field.

# VII. Management Functions

# **B. Domestic Facilities**

## **Current Responsibilities**

State's Deputy Assistant Secretary for Operations (A/OPR) supervises four offices which exercise oversight for federally owned and leased domestic properties and provide support services for State's operations. They are responsible for domestic operations at 85 locations.

- The Office of Facilities Management Services (FMS) conducts all buildings maintenance operations.
- The Office of General Services Management (GSM) coordinates and provides support services for conference planning and diplomatic events, and manages the State's technical services unit, employee services center, diplomatic conference and reception rooms, authentications staff, and motor pool.
- The Office of Real Property Management (RPM) manages the Master Real Estate Plan for domestic real property including acquisition, and manages the assignment, design and fit-out of internal space.
- The Office of Projects Management (PM) oversees long-range planning and the implementation of major construction projects.

USIA has two units within its Bureau of Management's Office of Administration that provide similar services at 18 locations.

ACDA has a small General Services staff that provides administrative support and oversees facilities management at four locations.

#### Personnel

Currently State has a total of 132 full-time permanent positions that support domestic facilities and services.

USIA has 17 full-time permanent positions providing domestic facilities support.

ACDA' General Services staff has seven full-time permanent positions.

### **Key Issues Considered**

A/OPR will assume, under the terms and conditions of existing leases, the management and operation of USIA real estate and building facilities, except those units being transferred to the BBG.

To the extent possible, USIA headquarters staff members being incorporated into State will be moved to existing State facilities, with the eventual goal of integrating most staff members in the Foggy Bottom area. Duplicate support facilities in other areas will also be consolidated as soon as possible. This consolidation will permit the cancellation of some leases.

# **Proposed Integration into State**

USIA's domestic facilities and support staffs (17 full-time permanent positions) will transfer to A/OPR and consolidate with parallel offices in Facilities Management (A/OPR/FMS), General Services (A/OPR/GSM), Real Estate Management (A/OPR/RPM), or Projects Management (A/OPR/SP/P). Aditionally, two full time permanent positions will also shift, one each from USIA's human resources and technology units. ACDA's General Services staff (seven full-time permanent positions) will transfer to the Executive Office of the bureaus under the oversight of the Under Secretary for Arms Control and International Security Affairs (five) and the Bureau of Administration (two).

The number of facilities to be managed and the workload will remain the same for the time being, though facilities are already being reviewed to determine if and when they can be consolidated.

#### **Positive Outcomes**

A centralized domestic facilities program will realize efficiencies over time. Capable professional staffs will be combined and permit a greater depth of expertise. When the headquarters elements of three Foreign Service agencies are combined within the Foggy Bottom area and support elements are combined at appropriate locations, economies of scale will permit identification of facilities and support services that could be eliminated. The General Services Administration and vendors will also benefit by having a single point of contact within State.

# VII. Management Functions

# C. EEO

### **Current Responsibilities**

Government-wide Equal Employment Opportunity Commission regulations (29 C.F.R. 1614.102) govern EEO programs at State, ACDA, and USIA. The Deputy Assistant Secretary of State, and the Directors of EEO at ACDA and USIA, serve as principal advisers to their respective agency heads. Each recommends changes in policies and procedures to insure nondiscrimination in all programs or activities conducted and/or funded by their respective agencies.

#### **Personnel**

State's Office of Equal Opportunity and Civil Rights (S/EEOCR) has a total of 17 full-time permanent positions.

At USIA 12 full-time permanent positions are assigned to the Office of Civil Rights.

ACDA has one full-time permanent position located in the Director's Office.

## **Key Issues Considered**

High-Level Attention -- Reporting relationships differ among the organizations. At USIA, the

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Director of Civil Rights for EEO reports directly to the head of the Agency. At ACDA, the EEO manager reports directly to the ACDA Deputy Director. At State, the Deputy Assistant Secretary of S/EEOCR reports to the Deputy Secretary on questions of policy, but as a practical matter works closely with the Under Secretary for Management on day-to-day operations.

### **Proposed Integration into State**

EEO programs will remain a vital element of State's management priorities and the new structure will consolidate existing USIA, ACDA, and State program personnel. The Director of the office, who will operate at the level of Assistant Secretary, will continue to receive routine guidance and support from the Under Secretary for Management, but will also continue to report to the Secretary and have access on any EEO concerns. Six of USIA's positions and the ACDA position will transfer to State. The other six USIA positions will transfer to the BBG.

#### **Positive Outcomes**

As a result of a consolidated, experienced staff, several underdeveloped programs like EEO Counseling, Alternative Dispute Resolution, Disability, and Civil Rights Compliance programs will be enhanced. The integration of new staff from USIA and ACDA, which include three Foreign Service positions, will also increase S/EEOCR's ability to address the needs of State's employees at posts abroad.

# **VII.** Management Functions

# D. Grants

## **Current Responsibilities**

USIA and, in select circumstances, State make grants (transfers of money to non-governmental entities) to accomplish public purposes. Grant authorities, procedures, and limitations are determined by statute, and differ from program to program. USIA grants functions are focused on Fulbright, Expert Speakers, and International Visitor programs.

#### **Personnel**

In State, the Bureau of Administration's Office of the Procurement Executive establishes and oversees grants policy and the respective operating or program office handles grants execution. State does not identify personnel resources separately for grants because of the small volume involved.

In USIA, the Grants Division in the Office of the Agency Procurement Executive has ten full-time permanent positions. There is also a grants management division of three full-time permanent positions in the Office of the Executive Director of the Bureau of Educational and Cultural Affairs.

ACDA has no full-time personnel associated with this function.

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## **Key Issues Considered**

**Authority** -- The appropriate focus of grants authority, with respect to centralization or decentralization, is to balance the need to place grant office authority close to the program office familiar with the program requirements and limits, while providing central expertise, policy, and oversight.

**Overseas** -- Recognizing that the effectiveness of the public diplomacy mission depends on the flexibility of Public Affairs Officers overseas to issue grants, the consolidated State structure will retain the current practice.

### **Proposed Integration into State**

The establishment of State-wide policy will remain in the Office of the Procurement Executive. Grants execution domestically and overseas will continue to operate in the appropriate operating or program office. A unit of nine, specializing in public diplomacy exchanges, will be located in the Bureau of Educational and Cultural Affairs. One position will transfer to the BBG.

#### **Positive Outcomes**

There will be compliance with good management practices and grants law and regulation, and maintenance of current program flexibility essential to accomplish the mission.

# VII. Management Functions

# E. Human Resources

### **Current Responsibilities**

At State, the formulation and implementation of personnel policies and programs for Civil Service, Foreign Service, and foreign national personnel are vested in the Bureau of Personnel (PER), under the leadership of the Director General of the Foreign Service and Director of Personnel (DG), and the Under Secretary for Management.

ACDA's Office of Personnel General Services (A/PGS), reporting to the Director of Administration, provides the full range of personnel functions for ACDA's civil service personnel.

USIA's Office of Human Resources (M/HR), reporting to the Associate Director for Management, provides personnel services similar to those provided by the Bureau of Personnel at State, for Civil Service, Foreign Service and foreign national personnel.

#### **Personnel**

State's PER has 312 full-time permanent positions.

ACDA's Personnel Office has eight full-time permanent positions.

USIA's Office of Human Resources has 53 full-time permanent positions devoted to personnel activities.

### **Key Issues Considered**

**Employees** -- The Foreign Affairs Reform and Restructuring Act states that all personnel and positions of USIA and ACDA shall be transferred to State at the same grade or class, with the same rate of basic pay or basic salary rate, and with the same tenure held immediately preceding transfer. This includes foreign national personnel overseas. Consideration of the impact of reorganization on employees has also been a central concern of the collective planning effort.

While the intent of the reorganization is not downsizing <u>per se</u>, there may be streamlining and position savings in some areas down the road after implementation is complete. Policies are being designed to review all Civil Service vacancies and hold those which could be needed for "at-grade" assignments upon integration. This includes an OPM- approved policy to advertise vacancies to ACDA, USIA and State before going to outside sources. All overseas posts have been instructed to develop plans to maximize the utilization of USIA and State foreign national personnel. While no agency can guarantee future actions, the intent is that any downsizing will occur gradually through normal attrition and sound work force management and planning. All the tools available will be utilized to minimize adverse impact on the workforce.

**Communication** -- Uncertainty concerning potential RIFs, downsizing, assignment changes, and inequities is normal in any large-scale reorganization, and employee morale and productivity might fall if these concerns are not adequately addressed. Timely and open communications are essential. Prompt decisions on organizational structure, followed by individual assignments, will help to alleviate uncertainty. Discussions will also continue with the employee organizations, AFGE and AFSA. Other strategies to help employees cope with these changes will include training for supervisors and managers, as well as staff, and provision of counseling services.

**Integration of Foreign Service Systems** -- With integration, a fifth generalist cone, called Public Diplomacy, will be created. USIA's administrative generalists will become State administrative officers. New specialist skill codes will be developed in State for USIA printing specialists, information resource officers, and English language officers. Policy differences such as time in class, tenuring, threshold window, assignments and promotion precepts will be addressed and resolved, with best practices considered.

**Decentralization** -- There is general support for continuing State's current move toward decentralized authority by allowing bureaus to classify and staff positions at the GS-13 level and below, and provide performance management and employee relations services. State may engage in pilot programs for extended delegations to bureaus based on the skills and experience of the executive director's staff.

## **Proposed Integration into State**

Seven ACDA positions will move to the executive office of the bureaus under the Under Secretary for Arms Control and International Security, with the remaining position moving to the Bureau of Personnel.

USIA human resources positions will move to the administrative office supporting the Bureau of Educational and Cultural Affairs and the Office of International Information Programs (six), the Bureau of Public Affairs (three), the Bureau of Administration (one), and the Bureau of Personnel (41), plus two additional positions from USIA's detail complement that had been detailed to the Board of Examiners. Three positions will transfer to the BBG.

USIA's detail (22), pipeline (57), and training (45) complements encompass 124 full-time permanent positions after reductions from the FY-99 number for: budgetary adjustments (seven) and transfers to the BBG (eight), plus permanent shifts of personnel currently detailed to the Board of Examiners (two) and the staff of the Foreign Service Grievance Board (one).

#### **Positive Outcomes**

Integrating similar functional responsibilities and eliminating redundancies could over time increase efficiency in personnel operations by allowing currently underserved issues to receive more time and attention. Moving away from separate agency regulations and procedures to a common system based on best practices will lead to better personnel policies and processes.

Steps will also be investigated to encourage all personnel to consider opportunities in the new areas of arms control, nonproliferation and public diplomacy. The integration has the potential to provide opportunities for work in a wider range of organizational units within State. Furthermore, because of the shifts being made, many employees will have the opportunity to obtain new skills.

# VII. Management Functions

# F. Information Technology

## **Current Responsibilities**

Information technology (IT) organizations are responsible for acquiring, maintaining, and standardizing information equipment and operating systems which help accomplish the agency's mission and manage its resources. Information resources include computers, networks, other office automation equipment, and telephone and communications equipment. A critical component of IT management is planning and policy formulation for information resource strategies.

State's Bureau of Information Resource Management (IRM), under the direction of the Chief Information Officer (CIO), manages all these activities for State. The geographic and functional bureaus have responsibility for their particular IT systems related programs.

Information technology resources are generally dispersed throughout a large organization, in addition to centralized IT management units. These dispersed IT resources generally provide for operations of

specific programs (e.g., export controls, consular systems) or give immediate support for administration of office automation and networks. This section focuses primarily on the structure of centralized IT functions.

#### **Personnel**

State's IRM has a domestic staff of 470 full-time permanent positions.

USIA's Office of Technology within its Management Bureau has 125 permanent full-time positions.

ACDA has 15 full-time permanent positions working on information management and computer operations.

## **Key Issues Considered**

- Open Communication -- The three agencies' current IT systems do not offer common e-mail connections. USIA operates in an open, unclassified IT environment with internet connections. For national security reasons, ACDA operates almost exclusively in a classified environment. State operates open systems, unclassified but controlled systems, and classified systems. Complicating any solution is the absence of U.S. Government approved technology to establish safe "firewalls," which will allow multiple classification levels on one set of equipment.
- Standardized Systems and Software -- Development of a common architecture for equipment and software is critical for effective information management operations. Establishing these standards will permit maximum effective use of available capital funds.

## **Proposed Integration into State**

Centralized IT functions will be provided by State IRM, strengthened with positions from USIA. Positions supporting particular programmatic functions will remain located in that program unit.

Several operations of the merged entities will be combined quickly because they are essentially alike: communications centers, telephone services, mainframe operations, Strategic IRM Planning, and CIO support.

Steps to strengthen information technology operations will include:

- · Identify redundant or "stovepipe" operating systems for elimination, with the goal of standardizing on as few systems as possible;
- · Consolidate existing database management systems;
- · Determine new hardware requirements for desktop systems, file servers, minicomputers, mainframes, and related peripherals.

An expanded network management center in IRM will provide critical enterprise-wide 24-hour service to support network operations.

An expanded Information Help Desk will provide one-stop shopping for customers seeking information on resolution of problems having to do with IRM-supported products and services.

Of USIA's 125 positions, 96 will transfer to the IRM Bureau, one to the Chief Financial Officer, one to the Bureau of Administration, one to the Legal Adviser's Office, 20 to the administrative office supporting the Bureau of Educational and Cultural Affairs and the Coordinator for International Information Programs. Six will go to the BBG.

ACDA's decentralized IT operation will move to the bureaus under the policy oversight of the Under Secretary for Arms Control and International Security. Thirteen full-time permanent positions will be located in the Arms control Bureau, one positions will transfer to the Bureau of Administration, and one position will transfer to the Bureau of International Organization Affairs to support IT operations in Geneva.

#### **Positive Outcomes**

Combined central IT management and policy will allow more effective use of scarce resources and more rational planning and acquisition programs.

The Bureau of Administration's Diplomatic Telecommunications Service Program Office (DTS-PO) will continue to provide long-haul telecommunications support to both the integrated State operations and to all the other agencies located at diplomatic and consular posts.

# VII. Management Functions

# G. Logistics

### **Current Responsibilities**

The Office of Logistics Management at State is responsible for a variety of functions, including supply, transportation, and procurement.

ACDA's logistics operations are split among three divisions in its Office of Administration: Financial Management (travel), Contracting, and Personnel and General Services (transportation, mail, property management, and printing).

USIA has logistics operations in the Bureau of Management's Offices of Administration (M/A) and Contracts (M/K). A small staff provides logistics support for Printing Services of the Information Bureau.

#### **Personnel**

State has 214 full-time permanent positions engaged in logistics functions.

USIA has 75 full-time permanent positions engaged in logistics management.

ACDA has six full-time permanent positions engaged in logistics operations.

#### **Key Issues Considered**

**Separate Authorities** -- Arms control, nonproliferation and public diplomacy will not retain agency-type authority, such as procurement. Customer service teams will provide high-quality service to these functions.

**Logistics Information Systems** -- Few systems are shared between agencies. Integration will require a mixture of using best practices systems and creation of new systems.

#### **Proposed Integration into State**

The structure designed to implement State's reengineered logistics processes will serve as the basis for the consolidated logistics operation. Expanded logistics operations for the consolidated agencies will be organized, under the direction of a Deputy Assistant Secretary, around work processes in three offices:

- · Operations Management,
- · Acquisitions Management, and
- · Program Management.

Of USIA's 76 full-time permanent positions (including one in their Comptroller's office), 65 will transfer to the Bureau of Administration, and 11 to the BBG. Three additional full-time permanent positions, providing passport and visa support, will transfer to the administrative office supporting the Bureau of Educational and Cultural Affairs and the Office of International Information Programs (two) and the administrative office supporting the Bureau of Public Affairs (one).

Four ACDA full-time permanent positions will transfer to the Bureau of Administration and two to the Nonproliferation Bureau. One additional full-time permanent position will also move to logistics from elsewhere in the agency.

#### **Positive Outcomes**

Integration will permit State to expand its reengineering design to serve arms control, nonproliferation, and public diplomacy activities. The timing of the reorganization will permit the incorporation of USIA and ACDA business requirements and practices into new logistics process implementation.

Redundant operations (e.g., warehousing, diplomatic pouch and mail) will be merged or phased out to permit further streamlining. Additional economies of scale will over time result from including USIA and ACDA requirements in contract and vendor management initiatives and from consolidating distribution channels and logistics systems.

# VII. Management Functions

### H. Overseas Facilities

#### **Current Responsibilities**

State's Foreign Buildings Office (FBO), located in the Bureau of Administration, acts as the single real property manager for U.S. government diplomatic and consular property abroad. FBO activities include: determining building funding priorities; design, construction, acquisition, sale, maintenance, and utilization of real properties; use of sales proceeds; and providing direction on foreign buildings matters to regional bureaus and other agencies. FBO already provides a broad array of these services to ACDA and USIA.

#### **Personnel**

FBO has 382 full-time permanent positions domestically and 174 Foreign Service full-time permanent positions (primarily facilities managers) overseas.

The overseas property management responsibilities of ACDA's Executive Director in Geneva are limited to serving as the administrative liaison with the U.S. Mission there and the U.S. Embassy The Hague. ACDA has no full-time positions with overseas property management responsibilities.

USIA has 10 full-time permanent positions in the Bureau of Management responsible for design, technical assistance, overseas procurement, safety, and facilities security.

#### **Key Issues Considered**

#### · Consolidation

Consideration was given to physical consolidation of all USIA overseas activities into current State facilities, but it was determined that such a collocation would be prohibitively expensive.

#### · Representational Considerations

Representational housing, china, glassware, and silverware are not provided for any heads of section at State. This will be a change for the USIS Public Affairs Officers (PAOs), who currently, as head of an agency at post, automatically receive such items. Post Housing Boards will give appropriate consideration to functional needs when making assignments for PAOs arriving from the summer of 1999 onward.

#### **Proposed Integration**

ACDA's and USIA's existing functions will be incorporated into FBO, building on FBO's broad mission, experience, and scope of operations, and the extensive property management services FBO already provides to both ACDA and USIA. Support activities will continue without interruption.

USIA staff, including designers, architects, physical security personnel, safety officer, and facilities security personnel will join FBO. Personnel transferred from USIA to FBO are expected to assume duties closely related to their current activities. Because ACDA does not dedicate full-time resources to property management, no personnel will be transferred.

At overseas locations all agencies will operate under a unified Housing Board. Joint State/USAID regulations will be issued on utilizing a single housing pool for short-term leased units.

#### **Positive Outcomes**

More comprehensive services and programs will be available for all personnel in the areas of safety, security, and in-house construction and design expertise.

Longer-term implementation of integrated facilities management overseas will result in more efficient utilization of space, reduced service costs, and fewer personnel necessary for space management.

# VII. Management Functions

# **I. Overseas Operations**

#### **Current Responsibilities**

State has an overseas presence at some 260 locations worldwide. Most of these include not only State personnel but personnel from many other agencies as well.

USIS (the United States Information Service, as USIA is known overseas) currently has a separate agency identity within the embassy. A Public Affairs Officer (PAO) heads the USIS unit with its own resource allocations. In practice, however, public diplomacy functions are already partially integrated at post. PAOs consult regularly with the Ambassador and country team colleagues, and USIS country program plans track closely with overall mission goals and objectives. USIA already receives many administrative services from State, although USIS operations provide varying degrees of their own administrative and program support.

ACDA's most significant overseas presence is in Geneva, where it is engaged in several critical roles, including supporting ongoing arms control negotiations in the Conference on Disarmament. In The Hague, ACDA leads the U.S. Delegation to the international organization implementing the Chemical Weapons Convention; and, in Vienna, it has staffs addressing implementation and adaptation of the European conventional arms control agreements and the Comprehensive Test Ban Treaty. Currently, ACDA receives most of its overseas administrative services from State.

#### **Personnel**

State's overseas presence includes 4,100 American and 7,600 full-time permanent Foreign Service National (FSN) positions.

USIA's area offices overseas would encompass 191 locations with 478 full-time permanent American positions and 1,958 full-time permanent FSNs (not including the 30 which are shifting to the BBG), plus an additional seven Americans who are carried on USIA Washington's rolls.

ACDA's three overseas locations are staffed by fourteen full-time permanent positions.

#### **Key Issues Considered**

**Consolidation at Small Posts --** Personnel at smaller posts often perform both program and administrative functions; thus it is more difficult to realign duties to consolidate program and administrative support functions into separate positions.

Consolidation of USIS and State Information Systems -Information technology support activities are an integral component of USIS and State operations at overseas posts. In some instances, USIS computer support personnel may have program responsibilities involving contact with foreign publics and development of program products, as well as specialized technical responsibilities. State information systems personnel at posts have responsibility for communications and office support networks, as well as for systems that support program activities, such as consular work. The goals for consolidating USIS and State information systems overseas are to:

- · Maintain the level and quality of all computer systems and applications;
- · Use skilled computer personnel (likely to be in short supply) to the maximum benefit of all operations at post;
- · Develop and implement a post plan to fully integrate all computer system operations.

This is a case where additional changes in position allocation may occur over the near term as experience dictates.

#### **Proposed Integration into State**

USIS overseas positions will be transferred to the respective regional bureaus, with appropriate field budget transfers as well. The PAO will head the embassy public diplomacy section and report to the Deputy Chief of Mission. The public diplomacy section will be on a par with the consular, economic, administrative, and political sections in an embassy. Current USIS Branch Public Affairs offices, located where there are no State offices, will be re-titled in line with State nomenclature.

In keeping with the principle that the core functions of USIS will be preserved, the composition of the public diplomacy section and its resources will not drastically

change (445 full-time permanent American positions). Several functions closely tied to public diplomacy such as program planning and budgeting, program logistics, and grant administration will remain in the public diplomacy section. FSNs with these functions will remain in the public diplomacy section (1,720 full-time permanent positions).

General administrative functions (e.g., personnel, financial management, transportation, and information technology) will be integrated with the administrative section. USIS executive officer positions (26) will become State administrative positions, as will seven USIS regional management

officer positions. FSN positions with purely administrative duties will be assigned to mission administrative sections (238 full-time permanent positions). Further adjustments may also be made as circumstances warrant. Additionally, 30 full time permanent foreign national positions are being transferred to the BBG.

Six full-time permanent foreign national positions, currently providing printing services in Vienna, will shift to the Bureau of Administration.

In Geneva, interagency arms control delegations will be supported administratively by the U.S. Mission. Support functions currently performed by ACDA will transfer to the mission's administrative section, with provision for a conference services officer to coordinate arms control delegation requirements.

#### **Positive Outcomes**

The Country Team approach will continue, with preservation of the strong role of public diplomacy.

Public diplomacy and arms control and nonproliferation functions will be supported effectively at overseas posts.

Integration of administrative support will provide a more streamlined structure with potential for future savings.

## VII. Management Functions

# J. Records and Publishing Services

#### **Current Responsibilities**

Within State's Bureau of Administration, the Deputy Assistant Secretary for Records and Publishing Services (A/RPS) is responsible for a variety of information-related programs and functions. A/RPS' activities include all information programs covering access, privacy, and national security classification and declassification management (mandated by the Freedom of Information Act, Privacy Act, and Executive Order 12958, among others); traditional records management; congressional and judicial document production; central archives; research; and State's Library. Also under the A/RPS umbrella are the Multi-Media Publishing Services operation (i.e., Printing) and Directives Management (including regulations and Paperwork Reduction Act).

ACDA's and USIA's related information programs are located in a number of different organizations including the USIA's General Counsel's Office (GC), Bureau of Management (Office of Administration, M/A) and Bureau of Information (I), and ACDA's Bureau of Intelligence, Verification, and Information Management, and its Office of Public Affairs.

#### **Personnel**

State's A/RPS has a staff of 237 full-time permanent positions.

Parallel programs in USIA involve full-time permanent positions in: printing operations both at headquarters and overseas, 19 American and 91 foreign national positions (I, M/A and EEN); directives staff, two positions (M/A); library and records management, four positions (I); FOIA operations, four positions (GC); and declassification operations, 13 positions (GC).

The records management and declassification programs are the only related programs in ACDA, involving one full-time permanent employee in the Office of Public Affairs and one in the Intelligence, Technology, and Analysis Division of the Bureau of Intelligence, Verification, and Information Management.

#### **Key Issues Considered**

#### · Statutory Compliance

Since many of the program activities are driven by legal mandates (e.g. FOIA, Privacy Act, E.O. 12958, Federal Records Act) or traditional organizational activities (such as libraries and printing plants), there is considerable commonality in function and programmatic requirements.

#### · Corporate Archives

Throughout its history, State has maintained a central record collection documenting the conduct of foreign policy and its other business requirements. Neither ACDA nor USIA has such a resource, and thus there is a need to integrate records life-cycle requirements as an ongoing part of program responsibilities, as well as a corporate record resource.

#### **Proposed Integration into State**

The reorganization of State, ACDA, and USIA entities will be relatively easy to accomplish because they are essentially alike. For example, there are already joint State/ACDA/USIA regulations; USIA's historical declassification review activity required by E.O. 12958 is already collocated with State's facility; and the ACDA Library has already been merged with State's. Because separate facilities will continue for some time, a Library annex will temporarily remain at the former USIA headquarters.

From USIA, eight full-time permanent declassification positions will transfer to the Bureau of Administration, including three that will provide this service to the BBG on a reimbursable basis; the remaining five positions will provide public diplomacy support in the functional bureaus and staffs. Two full time permanent FOIA positions each will transfer to the Bureau of Administration and to the BBG.

Two ACDA positions will transfer to the Bureau of Administration.

Two USIA full-time permanent positions for domestic library support, two for records management, and two for directives will transfer to the Bureau of Administration.

Nineteen full-time American positions (14 domestic and five overseas), and 91 full-time permanent

FSN positions (85 in Manila and six in Vienna) will transfer to the Bureau of Administration to provide printing services. One full time permanent American position will transfer to the BBG.

#### **Positive Outcomes**

Integrated programs will enable the new organization to implement best business practices -- especially through leveraging technologies -- and thereby increase the potential of achieving increased economies and efficiencies.

## VII. Management Functions

## K. Security

#### **Current Responsibilities**

State, ACDA, USAID, and USIA all have similar responsibilities for ensuring the protection of personnel, facilities, and national security information. However, State is responsible for managing and providing security at overseas posts.

At State, the Bureau of Diplomatic Security (DS) manages the security programs, including formulating security policy and implementing programs to provide a secure environment for the conduct of U.S. diplomacy.

ACDA's Security Division is in its Office of Administration.

USIA's Security Office is part of the Management Bureau.

USAID's Security Office reports to the Administrator.

#### **Personnel**

DS has 800 full-time permanent positions. An additional 371 American positions and 317 foreign national positions perform security-related functions overseas under the regional bureaus.

ACDA has six full-time permanent positions, plus one reimbursable position, in its Security Division.

USIA has 48 full-time permanent positions in its Office of Security.

USAID has 35 full-time permanent positions in its Office of Security.

#### **Key Issues Considered**

#### · ACDA Investigations

ACDA by law has been required to contract for personnel investigations with the successor privatized entity formerly in the Office of Personnel Management. DS will take on this responsibility

with no increase in investigations staff.

#### · Integrating Systems

Because of cost, there will not be an immediate standardization of common domestic security systems. Separate systems will continue for at least 12-18 months beyond the effective date of integration. Systems in the former USIA building will gradually be converted to the State system.

#### · USAID Security Office

Because of recent Congressionally mandated changes to the structure of USAID's security function, State and AID will review their operations to determine what further coordination can be achieved.

#### **Proposed Integration into State**

There will be complete integration of the personnel and material resources of the ACDA and USIA security units into DS. All currently conduct operations in accord with the same or similar executive orders, statutes, and regulations. Individual customer demands and requirements are also similar in each agency. Personnel from each agency possess the same qualifications, experience, and security clearances.

From ACDA, four full-time permanent positions and one reimbursable one will transfer to DS, one full-time permanent position will transfer to the Bureau of Intelligence and Research, and one full-time permanent position will transfer to the Executive Office supporting the bureaus under the direction of the Under Secretary.

From USIA, 32 full-time permanent positions will transfer to DS, two to the Bureau of Administration, one to the Bureau of Information Resource Management, and 13 to the BBG.

#### **Positive Outcomes**

Reorganization will integrate the security responsibilities of two agencies into DS, making it better able to promote efficiency, ensure uniformity of standards, and provide better service. After integration is complete, DS will be able to further streamline its operations and eliminate overlapping overseas coverage.

# VII. Management Functions

# L. Statutory Procurement Functions

Office of the Procurement Executive (A/OPE) and

Office of Small and Disadvantage Business Utilization (A/SDBU)

#### **Current Responsibilities**

A/OPE is responsible for establishing overall State guidance and regulations regarding acquisition and grants policies and procedures for both domestic and overseas contracting activities in accordance with statutory and regulatory requirements.

A/SDBU is responsible for the implementation and supervision of State's procurement activities related to small and disadvantaged business and women-owned business in accordance with statutory and regulatory requirements.

USIA's Procurement Executive has similar policy responsibilities. This office also performs the SDBU function, which at State is performed by a separate office, A/SDBU. USIA's unit also has two operational functions which award and administer grants and contracts.

**ACDA** has an operational office and no formal policy function.

#### Personnel

A/OPE consists of 15 full-time permanent positions. A/SDBU consists of five full-time permanent positions.

In USIA, the Policy and Procedures Staff of their Office of Contracts has four full-time permanent positions, which perform both the acquisition and grant policy function and the SDBU function.

ACDA has no formal policy program.

#### **Key Issues Considered**

#### · Authority

The best approach is to maintain the current centralized policy oversight system, which operates well at both agencies. The operational work of awarding and administering contracts and grants will continue to be handled within the various contracting activities.

#### · Overseas

State will continue to provide centralized acquisitions and grants expertise and training to overseas contracting and grant officers.

#### **Proposed Integration into State**

USIA's Policy and Procedure Staff will be transferred as follows: two full-time permanent positions to the Bureau of Administration (one to A/OPE and one to A/SDBU), and two full-time permanent positions to the BBG.

No staff from ACDA will be transferred.

#### **Positive Outcomes**

Enhancing efficiency, there will be one acquisition and grant policy system, and one small and disadvantaged business unit. This constitutes "one-stop shopping" for customers of these services.

## VII. Management Functions

## M. Training

#### **Current Responsibilities**

At State, implementation of training policies and programs is vested in the Director of the Foreign Service Institute (FSI). FSI provides language, area studies, career development and functional training to employees of State and other agencies.

USIA has a training division within its Office of Human Resources.

ACDA's Office of Personnel and General Services (A/PGS), reporting to the Director of Administration, deals with training matters. ACDA contracts with government and non-government vendors to provide training.

#### **Personnel**

State's FSI has 394 full-time permanent positions and 178 in its training complement.

USIA's Office of Human Resources devotes 16 full-time permanent positions to its training activities and has a training complement of 45.

ACDA's Personnel Office devotes less than one full person year to the training oversight function.

#### **Key Issues Considered**

Training will be a key component in the successful integration of USIA and ACDA into State. The new Division of Public Diplomacy in FSI's School of Professional and Area Studies will be charged not only with tradecraft training for public diplomacy professionals, but with assuring that an understanding of public diplomacy as a critical tool of foreign policy is reflected throughout the FSI curriculum.

Training will also be critical to addressing employees' concerns and needs for information throughout the transition process and to ensure that employees of State, USIA and ACDA have the training required to make integration succeed.

#### **Proposed Integration into State**

Thirteen USIA full time permanent positions from its Human Resources training division will transfer to FSI and one will transfer to the Bureau of Personnel. Two positions will transfer to the BBG. ACDA has no full-time trainers and no positions will be transferred. Also, one full-time permanent position will transfer to FSI from USIA's Office of Administration in its Management Bureau.

USIA training complement, equivalent to 45 full-time permanent positions, will shift to FSI.

FSI's School of Professional and Area Studies will be restructured to include a new Division of Public Diplomacy. USIA's emphasis on technology training and foreign national personnel training will continue.

#### **Positive Outcomes**

Integration of USIA and ACDA training programs into the Foreign Service Institute will ensure that foreign affairs professionals from a wide array of disciplines have increased opportunities to understand the central role of arms control, nonproliferation and public diplomacy in American foreign policy. ACDA and USIA employees joining State will have access to FSI's broad range of course offerings, including language and area studies, professional development, and management and leadership training.

Bringing former ACDA and USIA employees together in the classroom with their new State colleagues will also build a common sense of mission, professionalism, and esprit for all involved.

#### VIII. Reinvention

Reinvention is a fact of life at State, and a dynamic process. The Secretary has called for continual reinvention of State's operations in the face of declining budgets, increasing demands, novel challenges, and new technologies. Her confidence in the creativity of State's people - its main resource - and insistence that they be allowed to make important decisions are a firm foundation for the integration of foreign affairs agencies. With the introduction of new expertise and backgrounds, integration will be a very significant step forward in making our foreign policy more agile, coherent, and relevant for the new challenges of the 21st century.

It is commonplace to note changes in the world. But it is worth highlighting those that directly affect the context in which State operates. In the past decade, many new international actors - countries, corporations, and non-governmental organizations - have joined the international community. Subjects often hidden from international view - internal rivalries and hatred, especially - have become regular subjects of international action. Information moves faster and with fewer restrictions than ever before. Thankfully, citizens around the world have become more important than ever in the formulation, execution, and evaluation of the way governments operate.

In the last six years, State's operating budgets have declined by 17% in real terms, forcing us into a substantial and ongoing reorientation of our priorities. Our discretionary Economic Support Fund

budget has been cut by two-thirds, leaving us with minimal funds to respond to unanticipated emergencies. During this time, the number of U.S. embassies has increased by 16, and State's consular workload -- which is required to protect America's borders and Americans overseas -- has increased by 22%. Meanwhile, turbulence around the world from the Balkans to the Persian Gulf to Central Africa and East Asia has generated new threats to American interests and new demands on America's international affairs resources.

The current reorganization builds on efforts undertaken throughout the 1990's to improve the efficiency and effectiveness of State operations.

These efforts include the State 2000 exercise, undertaken in 1992-93; the National Performance Review in 1993; the Strategic Management Initiative of 1995 and the creation of the Strategic Plan for International Affairs in 1997.

These initiatives reflect an ongoing, continuous effort within the Department to eliminate duplication, ensure accountability, set clear strategic goals and achieve results. They reflect, as well, the increased importance of economic and global issues, and the need to obtain and install improved information technology.

A vital lesson of the past decade is that management is a dynamic process. Plans developed one year may need to be changed as early as the next, in response to changing events.

For example, no planner a decade ago would have envisioned the need for the U.S. to open 14 new embassies within the territory of the then-still existing Soviet Union. But we have done this, in order to protect our vital security interest in preventing the spread of nuclear arms and expertise, to ensure the flow of petroleum to world markets, and to promote democratic practices, including economic reform.

In coping with change, State has not sought not so much to reinvent the wheel, but rather to find new uses for the wheels we have. In Bosnia and Herzegovina, we have developed a range of partnerships, with institutions that include NATO, the OSCE and the Office of the High Representative, to carry out the military and civilian components of the Dayton accords. In Kosovo, the OSCE is organizing a ground verification force, backed by a NATO-led extraction force, both of which complement diplomatic efforts sponsored by the Contact Group and humanitarian relief efforts provided by the UN and others.

The purpose of such arrangements is to ensure that the United States does not bear an unfair share of the costs and risks of such operations, and to take advantage of the specific capabilities different institutions are able to contribute to such missions.

We have also been retooling our normal operations. The Secretary forged a strong basis for policy reinvention by forming the Under Secretaries into a Corporate Board chaired by the Deputy Secretary, and strengthening the authority of the Assistant Secretaries to emphasize their primary policy and resource allocation role. These innovations have fostered increased strategic vision and operational effectiveness. The introduction of strategic planning has given the Secretary a powerful

new tool for aligning resources with policy and for managing government-wide efforts to achieve U.S. international affairs goals. The International Affairs Strategic Plan provides a conceptual framework of national interest and strategic goals. The new Mission Performance Plans for overseas missions and the Bureau Performance Plans for headquarters offices link resources and programs, providing better integration of U.S. activities, and building a structure for measuring performance. This new orientation to showing results is entirely consistent with the Government Performance and Results Act (GPRA).

We are also working to ensure that we have the right people and expertise in the right places overseas. The Overseas Staffing Model has helped to set priorities and define staffing levels for our posts abroad. We have expanded significantly the place of other agencies in our embassies. This expertise, whether in development, international crime, environmental matters, arms control, nonproliferation, public diplomacy, or other specialties, gives our ambassadors the tools they need to represent America adequately. The heads of these posts now are required to prepare annual mission plans that integrate all these multi-dimensional activities into a coherent strategy tied to resources. This provides for accountability.

We are changing the location and size of our missions as necessary. In several countries we have established one- or two-person posts so that American interests are represented on the ground where important decisions are made. Our presence in Banja Luka and Mostar in Bosnia has been integral to implementation of the Dayton Agreement. The Secretary has just announced the opening of a small American Presence Post in Lyon, France, to reflect U.S. interests in that important commercial center. When appropriate, we have established regional centers so that transnational issues can be handled consistently throughout affected areas rather than by officers separated by boundaries.

State has made several organizational changes which have enhanced effectiveness. The newly-created Bureau of Western Hemispheric Affairs, which now includes Canada, emphasizes the importance of NAFTA and is an example of our strengthened policy focus on global issues and economics. State has created a Chief Information Officer position and consolidated all domestic information technology (IT) personnel into the new Bureau of Information Resource Management (IRM) under the CIO's leadership, focused on IT issues and modernization. State has improved its crisis management capabilities by combining its three separate 24-hour emergency operations centers into one, merging its security and intelligence staffs with its Operations Center to provide one central monitoring, alerting, and crisis management organization. The unified State Operations Center has strengthened links with sister centers at other government agencies to coordinate their activities and eliminate redundancies. State has worked closely with other agencies to carry out a review of the interagency crisis management process, which clarified agency roles and responsibilities for handling crises abroad.

The 1990s have also seen a steady stream of innovative management initiatives at State. The development and implementation of the ICASS system is an impressive example of State's creativity and leadership. Melding best practices and incorporating a wide range of ideas, State has built a fair, transparent system that benefits all agencies with personnel overseas. ICASS has generated much new thinking on other ways to provide improved administrative support to the overseas workforce. State has reached out and joined forces with other foreign affairs agencies, offering to share its

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contracts and support structures, in order to consolidate overlapping administrative support functions. These efforts have succeeded, achieving significant efficiencies. State, ACDA, USIA and USAID now share a common travel management contract, while State, USIA and USAID use the same contracts for packing, storing and shipping household effects for employees transferring abroad. State's transportation division provides cost effective services to 30 other government agencies, using the Working Capital Fund as an effective partnering medium.

State undertook a major overhaul of its logistics system, conducting a classic reengineering effort to build a nimble structure featuring improved responsiveness and customer service. The logistics acquisition system now incorporates electronic commerce, eliminating paper transactions and reducing processing time for some procurement actions from two weeks to one day. State has established an Internet acquisition website, which offers the vendor community information on worldwide procurement opportunities at State and provides procurement guidance to vendors and contracting officers alike.

State has revitalized its capital planning process for facilities, a critical high-cost support area. Its asset management program identifies surplus overseas properties for sale, generating capital to construct new facilities.

To keep those facilities in order, State has established a professional facilities maintenance program to meet the challenge of providing safe, operational facilities in difficult security environments. Emphasis on energy efficiency has translated into significant cost avoidance at our high energy-consumption posts.

Domestically, State has pursued a facilities plan to consolidate its operations in the Foggy Bottom area. By acquiring less expensive office space adjacent to Main State, it has closed distant annexes in more expensive leased space, saving money and increasing efficiency by bringing more employees onto the Foggy Bottom campus.

Computer modernization has been a difficult issue. State began the decade with an enormous installed base of outmoded legacy systems and few resources available for modernization. IRM is aggressively pursing capital investment, desktop productivity systems and the expansion of e-mail and shared information systems. To target scarce funds most efficiently, State has introduced an IRM Program Board to screen proposed projects and has adopted an agency-wide strategy for information technology modernization called "ALMA" -- A Logical Modernization Approach. Under ALMA, State has focused on best practices and commercial off-the-shelf systems in order to achieve efficiencies at the lowest cost.

State's emphasis on innovation has realized additional benefits through new programs such as the Diplomatic Telecommunications Service Program Office's International Voice Gateway, which makes better use of State's worldwide telecommunications network to extend and improve voice capabilities at overseas posts, saving millions of dollars annually for all agencies. Another example is the Domestic Enterprise Backbone Network (E-Net), which provides voice, video and high-speed data to users at a lower cost, with improved performance, flexibility and security. E-Net is centrally managed by the IRM bureau and paid for by its customers on a fee-for-service basis.

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The Consular Affairs Bureau has been highly successful in applying technology to meet the growing demand for visa and passport services. The use of visa fees, as noted above, has reduced pressure to obtain additional funding for these enhancements. Increasing the number of visa waiver countries has helped significantly in managing the workload, and State is pursuing additional prospects for the visa waiver program consonant with border security.

Just as ICASS revolutionized the service relationship between State and other agencies overseas, increased reliance on the Working Capital Fund has brought similar dramatic change in State's domestic support structure. To improve accountability and ensure that support services were being used efficiently, State expanded the use of the Working Capital Fund (WCF) to provide a variety of services, such as motor pool, telecommunications, and publishing and graphics services. Under the WCF system, customers pay for services they actually use, instead of drawing free services from a centrally-funded provider. Introducing a supply and demand dimension has brought more efficient operations by helping service providers tailor services to areas of highest demand and making customers aware of, and responsible for, the costs of services they consume.

State has undertaken a number of personnel initiatives to improve the effectiveness and productivity of the workforce. The American Family Member Associates program, which makes greater use of the skills of Foreign Service family members at overseas posts, and increased use of local hiring programs are providing much needed support staffing at overseas missions at lower costs. The Consular Associates program is providing us with rapid reserves at our busiest consular sections. State strengthened its Foreign Service promotion precepts and renewed its emphasis on creating truly multifunctional officers to assure our Foreign Service cadre will have the depth of experience and expertise in regional, multinational and global issues as well as the resource management skills required to guide our nation's foreign policy in the 21st century. State has reinvented career development programs for its Civil Service workforce to increase training and mobility, including expanded opportunities for service at overseas posts. Chaired by the Under Secretary for Management, State's Council on Equality reflects Secretary Albright's commitment to increasing State's diversity and ensuring a fair and supportive workplace for all of State's Civil and Foreign Service employees.

The most important, and difficult, form of reinvention is cultural - a challenge to the way we operate. The Secretary has made clear that diplomacy requires outreach - far beyond the ministry buildings too often thought of as the home of diplomats. This outreach starts with the American people, who must understand the value of our foreign policy, for without their support our foreign policy cannot succeed. Our Bureau of Public Affairs has redesigned its outreach efforts to contact opinion leaders, involved public groups, and other affected by our foreign policy.

We are also reaching for new ways to conduct policy. Around the world citizen groups and the private sector have emerged as powerful voices in diplomacy. The Secretary has insisted on finding ways to identify the concerns of those groups, work with them when consistent with U.S. interests, and communicate closely when our interests diverge so that U.S. concerns will be understood. This will require a continual commitment by State to openness, outreach, and public diplomacy. Our advances in information technology are intended to facilitate such communication; our reinvention of public affairs is meant to build on the efforts we have made; and the integration of public diplomacy

will make us even more effective in achieving these goals.

# IX. Implementation

Following the submission of this Report, a process and structure will be established to implement the integration of USIA, ACDA, and parts of USAID into State. The structure will include implementation teams for specific areas, a supporting infrastructure to manage the process, and a leadership group to provide strategic direction, make decisions, and set priorities. It will also provide an avenue for consultations with the Congress,

#### **Implementation Teams**

Implementation teams will be established to execute specific tasks in the integration plan. Leadership for the teams will be drawn from the responsible functional areas in the current organizations to assure that those who implement the plans will be responsible and accountable for the results. (For example, a senior member of the Director General's staff will chair the human resources team; a senior member of the Bureau of Administration's staff will head the facilities team.) The first task for each team will be to develop a detailed action plan and timeline for implementation.

#### **Special Coordinator for Reorganization**

An Office of the Special Coordinator for Reorganization will be established to provide the infrastructure for the implementation process. The Coordinator will have overall responsibility and will chair the Reorganization Coordinating Committee (see below). Day to day operations will be under the direction of a Deputy Coordinator assisted by a small staff which will facilitate the work of the implementation teams and identify issues that require resolution. The Special Coordinator's staff will also include a communications unit which will serve as the focal point for outreach to headquarters and field personnel to ensure that implementation of the reorganization plan is conducted in a transparent, open environment. The unit will regularly seek feedback from employees about issues of particular concern. The Coordinator and Deputy Coordinator will work closely with the respective legislative affairs, public affairs, personnel, legal offices, and others, will respond to Congressional interests, as well as those of other agencies and the public, as implementation moves forward.

The Special Coordinator's Office will coordinate all implementation tasks, direct production of a master action plan, and maintain master and project timelines. This office will coordinate among functional area responsibilities (e.g., space or payroll) to ensure orderly integration action among the different implementation tasks, track progress toward milestones, ensure best practices are considered, and identify any roadblocks to implementation.

#### **Coordinating Committee**

A Coordinating Committee, chaired by the Special Coordinator, and composed of Assistant Secretary-level officials from each of the agencies, will provide strategic direction. The Committee will provide appropriate senior level support in resolving issues and keeping the integration effort on

schedule. The Chair will report regularly on the integration effort to the Corporate Board.

#### **Timeline**

**ACDA:** All personnel (American and foreign national; full-time, part time, intermittent, temporary, when actually employed; and detailees) and funding related to ACDA integration will be transferred on April 1, 1999. Given the relatively small size of ACDA, and the fact that its personnel operate under Civil Service regulations, we expect that we will need to make only minor readjustments after that date. Implementation of office space changes will take longer but will be resolved before December 31, 1999, when the General Services Administration is scheduled to begin renovation of the space that ACDA currently occupies in the old wing of the State complex.

Overseas, on April 1, 1999, ACDA negotiating personnel will become State employees and will continue to operate as delegations to their respective entities, with administrative support assumed, to the extent that it is not already, by State administrative sections in the embassies or missions in the host cities.

**USIA**: All personnel (American and foreign national; full-time, part time, intermittent, temporary, when actually employed; and detailees) and funding related to USIA integration will be transferred by October 1, 1999. Differing Foreign Service regulations and policies will be conformed. Payroll, accounting and personnel systems will be coordinated. All personnel will be reassigned to positions in the new State organizational structure or the Broadcasting Board of Governors. During the six months that follow (October 1, 1999 to March 30, 2000), some personnel adjustments may be needed to provide for a more efficient and effective operation.

Given the overall shortage of office space in Foggy Bottom, and the upcoming renovation of the Main State complex, it will be some time before all current USIA program personnel can be relocated to Main State. Implementation will concentrate on establishing the office of the Under Secretary, combining Executive Secretariat functions, and relocating USIA area office personnel and other public diplomacy personnel who will be attached to State's functional bureaus to Main State. Efforts will also commence to relocate USIA management personnel to Main State and the various State annexes and support facilities where parallel functions are currently carried out, both in the Washington area and elsewhere in the United States and overseas.

Overseas, on October 1, 1999, USIS personnel will become part of the responsible State bureau for their respective operation, and will become part of the State contingent of the embassy, mission, or consulate where they are located, or continue to operate Branch Public Affairs offices where there is no State entity present. Those engaged in programmatic activities will become members of public diplomacy sections. Those engaged in basic administrative operations will be assigned to State administrative sections. Given the relatively large number of foreign national employees involved, and the fact that many now perform multiple duties on behalf of USIS, or operate and maintain equipment that is not common with State, minor additional staffing adjustments for foreign national employees can be anticipated over the next several years as restructuring and retirements occur, and equipment changes.

Also, on October 1, 1999, USIS regional and support operations will transfer to State. Such

operations will remain intact or become part of one of State's regional support operations. Though no major changes are anticipated, minor adjustments in regional responsibilities and locations may occur as part of integration during the next two or three fiscal years.

Conforming changes will be made as appropriate to any orders or directives, including regulations, that may be required to carry out the integration.

# X. Other Reporting Requirements

# Recommendations for Legislation Necessary to Carry Out Changes Relating to Personnel and Incidental Transfers

The Act provides broad authorities to State for transfers of personnel and incidental transfers in connection with reorganization. To date, State has not identified any need for additional legislation necessary to carry out the changes set forth in the Act with respect to personnel and incidental transfers.

# Additional Reporting Requirement On Funding For Public Affairs And Public Diplomacy Programs

Pursuant to Sec. 1333 (d) of *The Act*, the following additional information is provided:

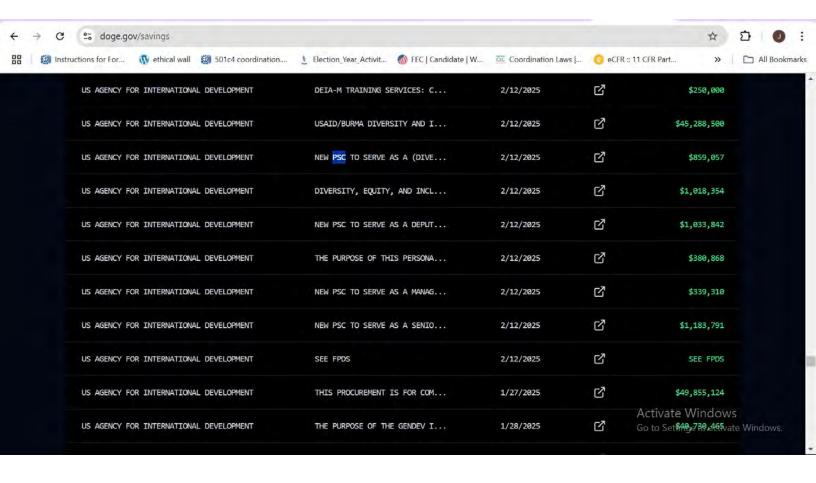
- (1) \$9,860,000 was obligated by the Department of State for public affairs programs during fiscal year 1998, and on the personnel and support costs for such programs. As of September 30, 1998, \$9,058,000 was expended.
- (2) \$1,129,067,000 was appropriated to USIA for its public diplomacy programs during fiscal year 1998, and on the personnel and support costs for such programs. As of September 30, 1998, \$1,095,127,000 was obligated and \$851,859,000 was expended.
- (3) In FY 2000, USIA public diplomacy programs and related program support functions will be merged with the Department of State. The President's budget for FY 2000 requests \$696,320,000 for former USIA public diplomacy activities. Of this amount, \$233,320,000 is requested for bureaus and offices directly conducting former USIA public diplomacy activities, and \$257,700,000 is requested for educational and cultural exchange and information activities. Other supporting resources will be aligned to functions directly related to regional, functional, and management staffs and bureaus of the Department. For former USIA public affairs activities that will be merged with the Department's Bureau of Public Affairs, the FY 2000 request seeks \$6,545,000. Funds to be transferred from USIA for public diplomacy programs will be transferred effective October 1, 1999 and will consist of unliquidated balances and unobligated balances for no-year and multi-year appropriations.

The BBG will submit its own fiscal year 2000 budget.

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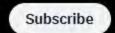
<u>Plans, Resources, and Reorganization Home Page U.S. Department of State Home Page</u>

# EXHIBIT XX



# **EXHIBIT XXI**







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# EXHIBIT XXIII

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# **DEI Watchlist:** America's Bureaucrats Most Abusing Diversity, Equity and Inclusion

The DEI Watchlist is focused on exposing the unelected career staff driving radical Diversity, Equity, and Inclusion (DEI) initiatives within the federal government.

The real power often lies with behind-the-scenes bureaucrats who push divisive DEI agendas that undermine merit, fairness, and accountability. By uncovering these hidden influencers and their failures, we aim to restore integrity and common sense to our government. Join us in rejecting the politicization of federal agencies and standing up for policies that reflect real American values.





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**EUNA M. AUGUST** 

Deputy Associate Director for Science, Office of Health Equity



**CHASTITY WALKER** 

**Deputy Country Director** 



**JOHN BALBUS** 

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#### **SHUNTRICE HOLLOMAN**

Diversity and Inclusion Strategist at Office of Equity, Diversity, and Inclusion (EDI)



**BRIAN KING** 

Director, Center for Tobacco Products



**CAROLINA LUNA-PINTO** 

Acting Director, Office of Minority Health



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<sup>2/17/25, 8:06 PM</sup> Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 392 of 397



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**ANGELA HOLMES** 

Program Officer - National Institute on Drug Abuse

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# **EXHIBIT XXIV**



**News Room** 

# BIDEN'S BASEMENT

# **LOCK THEM OUT!**

# **Employers Beware!**

As a public service, we at Biden's Basement have spent the last four years identifying the people running our government, oftentimes creating or stoking one crisis after another. Our research has filled in the details about the Biden administration's non-governmental affiliations, special interest influences, activist contacts, and other pertinent information. It's been fun getting to know them.

Now, as a new administration takes the wheel, it's hard to bid farewell to the team that brought us extended pandemic lockdowns, immigration pandemonium, and \$5 per gallon gas. So, Biden's Basement has retooled and repurposed to keep in touch with the policy ninjas that engineered the Afghanistan disaster, crippled American energy production, drove up inflation, and gave billions in taxpayer dollars to their extremist cronies. We want to know where the public servants land who rammed divisive woke politics into every corner of our government and who maintained the fiction that President Biden was "sharp as a tack."

<sup>2/17/25, 8:07 PM</sup> Case 8:25-cv-00462-TDC Document 25-1 Filed 02/20/25 Page 396 of 397

So welcome to the new Biden's Basement. We're keeping track of Biden administration alumni and where they land. We know they're not going far – the siren song of The Swamp will persist. Folks who spent months "Trump-proofing" the Biden administration's "legacy" will want to stick around and admire their handiwork and chuck a wrench or two in from the outside if they can. Many appointees will use the revolving door to return to the special interests who financially benefited from this administration's policies – and not just the Chinese, Ukrainian, and Iranian ones. Others will seek to cash out while making grand promises to their new employers about their continued access with resistant career officials and knowledge of how their former agencies will operate.

They're hoping to get big jobs with large trade associations, lobbying shops, law firms, and corporate America as a reward for driving America into a ditch. The Basement will seek to Lock Them Out! Through tracking of where appointees land and which employers hire them with an expectation of benefiting their clients and corporate bottom lines, we will seek to ensure the new administration's agenda – and the agencies that implement it – are aware of those Biden-connected special interests trying to get in the building.

Beware future employers – this will not be a winning strategy for your shareholders or your clients!

Search for a former Appointee or Employer

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### **UPDATES FROM BIDEN'S BASEMENT**

First Name Last Name Email Address Subscribe

We want your help. If you have any additional information about an appointee that is or isn't in our database, or any corrections, let us know via email at info@insidebidensbasement.org.

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